

EXTENSIONS OF REMARKS

HONORING THE ST. JOSEPH
HONOR CHOIR

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. GILLMOR. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to an outstanding organization located in Ohio's 5th Congressional District. The St. Joseph Honor Choir of Fremont, OH has been selected as one of only two choirs to represent the United States at the Pueri Cantores International Congress in Quebec, Canada from June 28 to July 9, 1995.

This is an honor for the choir to be Goodwill Ambassadors of the United States to an International Congress of this magnitude. St. Joseph Honor Choir is a proud member of Pueri Cantores. This international organization of children choirs, the name means little singers, has a world wide membership of over 25,000 children and encompasses such internationally renowned choirs as the Sistine Chapel Choir, the Vienna Boys Choir, and the Golden State Boys Choir and Bellringers of San Francisco, who hold the honor of also representing the United States at the Congress.

The St. Joseph Honor Choir consists of 43 children and 16 men. The Choir's repertoire is classical, religious, and secular music. Established in 1993, the Choir has quickly made a name for itself. The 1994-95 year has been and will be a very active and exciting year for the Choir. It began in November when the Choir hosted La Maitrise De Cap De La Madeline, which is recognized as one of the top children choirs in Canada. In December 1994, the St. Joseph Honor Choir went on its first mini-tour to Pittsburgh, PA. Also during the holiday season, the Choir performed for many church and civic organizations throughout the Fremont area. The Choir performed at numerous choir festivals, churches, and organizations throughout Northwest Ohio during the Spring season.

Mr. Speaker, it is obvious that the community and the members of the Choir have greatly benefited from the effort that was started in 1993. I ask my colleagues to join me today in recognizing the achievements of the St. Joseph Honor Choir and encourage them to continue to uphold what has become a standard for excellence.

THE PRESIDENT IS CORRECT
REGARDING JAPAN

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. FRANK of Massachusetts. Mr. Speaker, President Clinton deserves great credit for his insistence that the Japanese stop being so restrictive regarding products from overseas.

The great imbalance in trade between the United States and Japan is significantly exacerbated by restrictive Japanese practices, and President Clinton is to be congratulated for his unwillingness to simply allow business as usual—which for us in Japan has meant very little business.

For most of the post war period, the United States has put our geostrategic interests ahead of our own legitimate economic needs in dealing with our wealthy allies. That was appropriate when these allies were struggling to emerge from the doldrums of the post war period, and when we all confronted a powerful Soviet Union. Today, it is entirely legitimate for the President of the United States to be assertive about legitimate American economic interests vis-a-vis these wealthy nations. The response for many in the foreign policy establishment has been critical of the President for this legitimate defense of America's interest, and many economists have also—reflexively in my judgment—criticized the President for insisting that Japan follow rules which allow free competition within that country from overseas products.

In the New York Times on June 10, Lawrence Chimerine and James Fallows made a very strong case for the kind of action the President has taken. These two distinguished scholars know a great deal about American/Japanese economic relations, and think their strong support for the President's position should be printed here because of the great light it sheds on this controversy.

JAPAN DESERVES A TARIFF

(By Lawrence Chimerine and James Fallows)

WASHINGTON.—Although European and Asian governments have complained about the Clinton Administration's regrettable but justified proposal to place tariffs of 100 percent on 13 Japanese-made cars, most agree that Japanese trade barriers threaten the world trading system.

Debate in America on the issue has been more primitive. Many free-market economists, some pundits and lobbyists for Japanese and for some European interests question whether there is even a problem to be solved.

Mercifully, most have spared us the old argument that simply driving down the value of the dollar will eliminate trade imbalances. The dollar has lost two-thirds of its value against the yen in the last decade, yet trade between Japan and the United States has been remarkably unchanged, even though American products are much cheaper.

But we are hearing equally tired assertions, which rest on a misleading appearance of economic sophistication. The principal claim is that Americans import too much and save too little and that the Japanese do the reverse. But this supposed insight into the trade imbalance does not tell us which is the cause and which is the effect.

Most economists take it for granted that our low savings rate causes chronic, large trade deficits, because when we spend too heavily, we inevitably buy huge quantities of foreign goods. Yet it is just as proper to argue the reverse—that the large trade deficits caused by artificial barriers to American

exports help create the low savings rate. This happens because reduced exports to, say, Japan mean smaller payrolls and profits at home. With less money earned, less is saved. And less is paid in taxes, driving up the Federal deficit and further depressing savings (because the Government borrows to finance the deficit).

The existence of formidable Japanese trade barriers is indisputable. Studies by the Economic Strategy Institute and other research groups estimate that if Japan's markets behaved like those of other industrialized countries, Japan would import up to \$200 billion more in goods each year than it now does; of this, almost \$50 billion would come from the United States.

The United States should raise its savings rate to limit reliance on foreign capital and to encourage productive investment—the key to vigorous long-term growth. But even if we do, we are likely to have a trade problem with Japan unless Japan changes. South Korea and Singapore, whose savings rates are even higher than Japan's also have large trade deficits with Japan.

Another faulty assertion in the debate over imposing a punitive tariff on Japan is that we're only hurting ourselves. Some claim we should keep our markets open regardless of what anyone else does because any other course would hurt American consumers.

They ask, Why should we punish ourselves by paying more for a Lexus or an Infiniti? And they say, if the Japanese or other Asians want to penalize their own people by running a closed economy, that's their problem. We'll enjoy the benefit of bargain-priced goods.

But Americans need jobs and income to buy even bargain-priced goods. Countries that combine closed markets with aggressive exporting to the United States effectively cut the number of good American jobs and thus consumer income. Closed foreign markets also inhibit our producers from investing, supporting research and development and creating new jobs.

A third argument against the tariff on Japanese luxury cars is that American car companies brought their problems on themselves by being lazy and greedy and not making cars suitable for Japan's left-side driving. This is the oldest red herring of all. Our auto producers make millions of right-hand-drive models for other left-side markets like Britain's.

The real issue is the cartel-like structure that ties Japanese parts makers, auto companies and dealers together in networks that are hard for outsiders to penetrate, no matter how attractive their products are.

In the auto parts business, there is no question of "wrong side" spark plugs, microcontrollers or piston rings. At current exchange rates, many American-made auto parts sell for one-third the price of Japanese-made items. American-made parts are of such high quality that the nation has an auto-parts trade surplus with Europe, where they are heavily used by BMW, Mercedes and other demanding manufacturers.

Nonetheless, American parts have captured only 2 percent of the Japanese market. And Japanese-owned auto assembly plants in the United States use at most only 50 to 60 percent American-made parts.

Finally, the silliest assertion is that the Administration's tariff might lead countries

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

to embrace managed trade—government manipulation of international commerce for national advantage. In raising this warning, the Europeans and Japanese are being hypocritical—and they know it.

The Europeans know it because their trade with Japan has long been managed in a Draconian way. Ever wonder why there are virtually no Japanese cars in France or Italy? It isn't because the Japanese are not trying hard enough or have the wrong steering wheels. It is because Europeans sharply limit the number of Japanese cars they will let in each year.

The Japanese know it because their own diplomats and foreign aid specialists advise the Thais, Russians, Indonesians and anyone else who will listen that careful controls on trade and capital are the best way to preserve an industrial base.

America's economy has its own mass of trade regulations and subsidies. But its markets are the most open of all the big industrialized countries. Japan's are the least open.

Ever freer trade over the last four decades has helped much of the world prosper. If there is a threat to the continued progress of this movement, it comes from those who pretend that problems with free trade—especially those created by the chronic American-Japanese trade imbalance—do not exist.

The Administration is at least trying to deal with this problem, which, if unaddressed, will destroy American support for free trade in general. If those who are most concerned about saving the world trade system don't like the Clinton solution, let them come up with a better and more realistic approach.

CHEER LEADER

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. SANDERS. Mr. Speaker, I am submitting a copy of an article which appeared in the *Brattleboro Reformer*, Brattleboro, VT today. I think that it will be of interest to many and request that it be included in the RECORD.

[From the *Brattleboro (VT) Reformer*, June 13, 1995]

CHEER LEADER

Of all the fishermen, in all the rivers, in all the states of the union, why did it have to be Tim Kipp in the Androscoggin River in Milan, N.H., when Speaker of the House Newt Gingrich stopped Sunday to chat?

Kipp, a history teacher at BUHS, is Brattleboro point man for Vermont's independent Congressman Bernard Sanders. Well to the left, his presence in the middle of a river was probably the first time in years Kipp has been in the mainstream. He was waist deep in water and up to here in indignation when Gingrich, in New Hampshire testing the political waters, paused for a photo op. It didn't help that the very waters Kipp was fishing are imperiled by an anti-environment initiative championed by the conservative speaker.

Gingrich, a pawn of Murphy's Law, did not know whom he was greeting when he waved hello.

Kipp seethed back: "Your politics are some of the meanest politics I have ever heard. You make Calvin Coolidge look like a liberal."

Gingrich dismissed Kipp's testy greeting with an intriguing summary: "The guy is from Vermont and he didn't have that cheer-

ful New Hampshire conservatism." The key word here is "cheerful."

To be cheerful in the face of assaults on the environment and cruel cuts to veterans, children, the elderly, the poor and the sick is evidence of either viciousness or delusion. We trust it is delusion that is behind "cheerful New Hampshire conservatism." Certainly, delusion—plus smoke and mirrors—are the main underpinnings of the Republican congressional agenda. Thus would tax breaks for the wealthy help reduce the budget. Thus would denying the needy simultaneously empower them.

Lately, Gingrich has been hustling a picturesque, even uplifting, vision of an alternative to a national social welfare system he regards as crushingly expensive and lacking a moral soul. In Gingrich's America, private charities would shelter the homeless, feed the hungry and lend a hand to the lame and halt. The welfare state would be dismantled. Government employees would be replaced by volunteers sustained only by their sense of mission.

According to the leaders of the charities that would be called upon to fill the breach left by an obliterated welfare system, however, Gingrich is, well deluded.

Officials of numerous national charitable institutions—Catholic Charities USA, the Salvation Army, the American Red Cross, among others—say private donations to their agencies have dropped off in recent years. Both tax laws and a precarious economy discourage giving, and volunteerism is down in an economy where there are too few non-working Americans with extra time on their hands.

It's hard to be cheerful in the face of the truth, but somebody has to balance the happy horsefeathers offered by the speaker. Maybe Kipp should go on a speaking tour of New Hampshire and Newt "Don't Worry, Be Happy" Gingrich should go fishing.

A SPECIAL SALUTE 1995 ARTISTIC DISCOVERY PARTICIPANTS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. STOKES. Mr. Speaker, I rise today to announce the successful completion of the annual Artistic Discovery competition in the 11th Congressional District. Over the years, Members of Congress have utilized the Artistic Discovery competition to both recognize and encourage the artistic talents of high school students. Throughout the spring, art competitions are held in congressional districts throughout the United States. The winning artwork from the various districts will be on display later this month when the Artistic Discovery national exhibition is unveiled here on Capitol Hill.

I am proud to note that the Artistic Discovery competition has enjoyed great success in my congressional district. This year's competition generated 350 art entries from high school students in 13 area high schools. The student artwork represented some of the best ever. Mr. Gary Thomas, a talented artist who is responsible for preparing the portraits of inductees into the Pro Football Hall of Fame, judged the entries and selected the winning artwork.

Mr. Speaker, the 1995 Artistic Discovery winner from the 11th Congressional District of Ohio is Jermaine Powell of Warrensville Heights. The son of Salley Powell, Jermaine is

an 11th grade student at Warrensville Heights High School. His winning artwork is a painting entitled, "A Mirror Can Dream." His artwork makes a strong statement about the need for unity and for people of our Nation to join together—regardless of color.

I am proud to report that Jermaine Powell is not only a talented artist, but he is an outstanding student at Warrensville Heights High School. He was recently inducted into the school's National Honor Society, maintaining a 3.5 grade point average. I extend my personal congratulations to Jermaine; his art instructor at Warrensville Heights, James Evans; and the school principal, Alex Murphy.

Mr. Speaker, it is important that the U.S. Congress recognize the importance of the arts, and take advantage of the opportunity to demonstrate our support for the Nation's youngest artists. I am extremely proud of each of the students who participated in the 11th District Artistic Discovery competition. They are very talented and all are winners.

I would also like to express my appreciation to the Cleveland community for its continued support of this important effort. In particular, I would like to thank officials and staff at the Cleveland Heights City Hall; Dick Bogomolny and Finast stores; Ted Sherron and the Cleveland Institute of Art; and the many others who helped to make our 1995 Artistic Discovery competition a great success. I ask that my colleagues join me in this special salute to the 1995 Artistic Discovery participants.

BEAUMONT SCHOOL

Alyssa Adams, Susan Ancheta, Amy Balbierz, Alithma Bell, Ann Bartek, Crystal Bell, Jennifer Blum, Anne Coburn, Molly Cook, Kelly Costello, Terry DePompei, Susan Deryner, Julie Engstrom, Jessica Eppich, Katherine Fitzgerald, Sarah Fitzsimons, Elizabeth Havach, Alicia Hernandez, Lori Indriolo, Keisha Jones, Molly Keefe, Lucy Kirchner, Karola Kirsanow, Terre Kraus, Natalie Lanese, Maria Lind, Diane Lloyd, Josephine Lombardi, Brandyn-Marie Manocchio, Sara McCormack, Katie McCullough, Elise McDonough, Kathryn McFadden, Ann McKeever, Bridget Meredith, Nicole Patitucci, Carrie Paul, Sherry Petersen, Eileen Ryan, Micaela Redmond, Maura Schmidt, Kate Schuster, Jean Smith, Kate Sopko, Maureen Standing, Vember Stuart-Lilley, Paola Tartakoff, Tracie Tegel, Jennifer Trausch, Mary Trevathan, Christiana Updegraff, Amelia Vlah, Katy Walter, Aisha White, Vassimo White, Andrea Williams, Alison Wooley.

Art Teachers: Ellen Carreras, Sister M. Lucia, O.S.U.

BEDFORD HIGH SCHOOL

Erik Acevedo, Shannon Bakker, Wendy Bascombe, Betsey Beveridge, Jashin Bey, Paul Biltz, Bryan Braund, Brian Brown, Lutoni Carter, Eboni Davis, Melanie Dusek, Rashaun Elias, Nicole Fenick, Shawna-Nova Foley, Becky Frank, Monica Grevious, Angela Gschwind, Brenna Hallaran, Nicole Hanusek, Aaron Hulin, Phil Jacobs, Robert Kendrick, Jason Koharik, Jon Koharik, Jay Kozar, Josh Kusek, Diamond Lewis, Michael Lovano, Aurora Mallin, Charles Minute, Steve Miracle, Samantha Nechar, Monica Oden, Lisa Pacanovsky, Melissa Petro, Cheryl Ress, Andrea Richardson, Susan Schmidt, Kareem Sharif, Farryn Shy, Larry Stepp, Heather Takacs, Jennifer Taylor, Jonelle Thomas, Laura Thome, Cameron Tullos, Jason Wainwright, Keytsa Warren, Shakhir Warren-Bey.

Art Teachers: Bob Bush, Dagmar Clements, Lou Panutsos, Andrew Rabatin.

BELLEFAIRE SCHOOL

Margaret Perkel.

Art Teacher: Kelly Gutowitz.

CLEVELAND SCHOOL OF THE ARTS

Monique Boyd, Tanya Gonzalez, Alan McClendon, Tonia Thomas, Cleveland Tolliver, Sahara Williamson.

Art Teacher: Andrew Hamlett.

COLLINWOOD HIGH SCHOOL

Tammy Beam, Tiffaney Beasley, Deryck Cleveland, Shawn Powers, Cornell Vernon.

Art Teacher: Jerry Dunningan.

GARFIELD HEIGHTS HIGH SCHOOL

Christine Boozer, Shawn Brady, Cassandra Cox, Michelle D'Angelo, Erik Drotleff, Cheryl Jones, Bernice Kane, Jennifer Langman, Valerie Lubinski, Kelly Markiewicz, Erin Michaels, Leigh Michaels, Erik Miller, Bianca Roberts, Lori Suihlik, Kristen Todaro, Erick Wessel, Chris Wintrich.

Art Teacher: Christine French.

JOHN ADAMS HIGH SCHOOL

Betty Burgett, Morris Terry.

Art Teacher: Harry Petaway.

JOHN HAY HIGH SCHOOL

Tasha Burnett, Nedra Carter, Anthony Glass, Terrence Graves, Nura Hakim, Shamerra Kuykendall, David Moraco, Jr., Wendy Mullins, Latanya Porter, Luis Rodriguez, Andrew Straka, Tyrone Sykes, Rachael Weisenseel.

Art Teachers: Kathleen Yates, Richard Chappini, Harriet Goldner.

MAPLE HEIGHTS HIGH SCHOOL

William Abram, Andre Allen, Christian Allen, Amanda Bates, Emily Bryant, Richard Cannon, John Cary, Jacob Filarski, Elizabeth Fisher, Dan Fulop, Greg Gadowski, Jennifer Gedeon, Traci Lynn Helmick, Charlene Koblinski, Michele Lakatos, Melissa Lenzo, Calvin Little, Alex Mismas, Brent Peters, Carla Ruffo, Charles Rupp, Stefany Sega, Mike Sindelar, Otis Thomas, Eric Turk, Raheem Tyus, Mike Ulatowski, Jonathan Watts, Kevin Workman.

Art Teacher: Karen Mehling-DeMauro.

SHAKER HEIGHTS HIGH SCHOOL

Becky Beamer, Jessica Bilsky, Jeffrey Brigden, Sean Chang, Paul Daniels, Josh Greenspan, Holly Hukill, Rebecca Littman, Norman Paris, Donald Renner, Kristan Shenk, Alyson Tynes.

Art Teachers: Malcolm Brown, James Hoffman, Susan Weiner, Jody Wohl.

SHAW HIGH SCHOOL

Oscar Alexander, Clifford Allen III, Walter Caldwell, Thames Davis, Mario Gibson, DeAndre Hodges, Travis Rock, Emanuel Silmon, Alicia Stephens.

Art Teachers: Susan Lochar, Rena Reynolds.

SOUTH HIGH SCHOOL

Raysean Arnold, Tikisha Bailey, Tunisia Currie, Yavetta Doster, Erik Klepacki, Verneil Maddox, Dion Mills, Crystal Murray, Carmella Peterson, Kristina Rawls, Lartanna Remmer, Scott Rimar, Tenna Smith, Maria Stewart, Maurice Stubbs, Crystal Weatherspoon, Dante Williams.

Art Teacher: Roman Rakowsky.

WARRENSVILLE HEIGHTS HIGH SCHOOL

Raushanah El-Amin, Todd Moore, Jermaine Powell.

Art Teacher: James Evans.

TRIBUTE TO WOODLAND HIGH SCHOOL AT 100 YEARS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. FAZIO of California. Mr. Speaker, I rise today to pay tribute to a century of excellence at Woodland High School in Woodland, CA. This month we celebrate the commencement of the 100th graduating class from Woodland High School.

The history and highlights of the past 100 years at Woodland High School are well documented in the commemorative publication "100 Years of Excellence," which was compiled by current students, teachers, staff and alumni. I am pleased to have the opportunity to share a number of these stories with you today.

Over the past 100 years, Woodland High School has been located at a number of sites throughout the city of Woodland. August of 1895 marked the first official meeting of classes with 78 students led by three faculty members at Walnut Street Grammar School. The following year the student body was able to occupy the old Hesperian College.

In 1913, students and faculty occupied the newly constructed 80 acre high school located at the current site of Douglass Junior High School. Enrollment at the high school continued to increase steadily during that decade until the United States entered World War I. 150 students and alumni served their country in Europe during the war.

On the last day of 1923, the main building of the high school was destroyed by fire and had to be rebuilt.

During World War II, Woodland High School played its part in the war effort through War Bond and Stamp drives which raised over \$200,000. The superintendent and some members of the faculty left the school to enlist and serve their country. A number of students also enlisted upon graduation. By April of 1945, 41 alumni were listed as dead, missing, or prisoners of war.

During the next two decades enrollment continued to grow and in 1971 classes began at the West Street campus' current location. Today, Woodland High School has grown to an enrollment of over 1,700 students.

Many things have changed at Woodland High School over the past 100 years. Academic offerings have changed. The school paper has been renamed twice from "The Omega" to "The Orange and White" to "The Orange Peel". Clubs and sports teams such as the Costume Actors Club, Civil Air Patrol, archery and croquet have come and gone. Others including the Future Farmer's of America and football have thrived and continue to have a strong presence on the campus today. But with all these changes one thing has remained constant: enthusiasm, spirit and pride for the school.

Mr. Speaker, I ask my colleagues in the House of Representatives to join me today in celebrating the Centennial of Woodland High School. I offer my congratulations to all of the 100 graduating classes of Woodland High School and to the many more who will follow.

DISTINGUISHED JOURNEYMEN SHEET METAL WORKERS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. VISCLOSKY. Mr. Speaker, over the course of my years as a private citizen and public official, I have witnessed a great, unfolding story. This story is one of pride and principle, enterprise and excellence. It is the story of American workers given the chance to contribute to society, with the labor movement's guiding hand.

Today, I would like to call attention to 16 young men who completed the sheet metal workers' apprenticeship program. On June 12, 1995, Sheet Metal Workers International Association Local Union No. 20 in Gary, IN, initiated these men as journeymen sheet metal workers. The new members are: John Babe, John Bodish, Erik Burkhart, Shane Byers, Andy Cleland, Kevin Frazier, Sam Glover, Phil Grede, Christopher Jenness, Eugene L. Klimazewski, J. Patrick Knox, Duke Popa, Jerry Porter, Richard Sells, Christopher Shaffer, and Matthew Vanbuskirk.

According to Mr. G. Russell Basset, who has almost 20 years of celebrated service as an elected official with Local No. 20, the apprentice program offers a broad overview of the sheet metal craft. Over a 5-year span, each apprentice must attend school once a week in Gary, IN. Moreover, the apprentice spends another 4 days a week working on sites and learning the various skills needed to make a successful and prosperous journeyman. These marketable skills include applied math, metal fabricating, welding, and architectural design as well as many others.

Mr. Speaker, I ask you and my other colleagues to join me in congratulating these fine individuals as they began their distinguished careers as journeymen sheet metal workers. Their futures promise to be successful as they use their intangible and tangible experiences from the apprentice program in their careers as well as their personal lives. May their careers be long and fruitful.

INCREASE COMPETITION AMONG CREDIT CARD ISSUERS

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. SCHUMER. Mr. Speaker, I have long been an advocate of increasing competition among credit card issuers, so that consumers may be offered the widest possible choice and pay the lowest possible fees and interest rates. I have also spoken before about a particular case of anti-competitive, anti-consumer behavior by VISA, the dominant issuer of credit cards in the United States. Unfortunately, this case remains alive because the Tenth Circuit Court of Appeals overturned a jury verdict in the lower courts that found VISA guilty of violating Federal antitrust law when it prevented Dean Witter from offering VISA cards to customers of a bank it owns. Dean Witter has appealed the case to the Supreme Court, where a petition for certiorari is currently pending.

I would like to read into the RECORD an article on this case by Professor Lee Richardson, past president of the Consumer Federation of America and former acting director of the U.S. Office of Consumer Affairs during the Carter administration. It was published in the Wall Street Journal on May 23, and in it Professor Richardson clearly lays out the stakes in this case for "a market that affects the financial opportunities of tens of millions of American consumers." I fully concur with his view that "the Supreme Court should be willing to listen to both sides," and that a writ of certiorari should be granted accordingly.

[From the Wall Street Journal, May 23, 1995]

LET A THOUSAND CREDIT CARDS BLOOM

(By Lee Richardson)

"VISA—It's everywhere you want to be."

At least that's what VISA's marketers want us to believe. But unless the Supreme Court decides to overrule a recent appellate court decision about who can and cannot offer VISA cards, America's most prominent credit card will only be everywhere VISA wants it to be, to the detriment of consumers.

VISA's presence at some 3 million merchants (and in 180 million wallets and purses) allows it to dominate the domestic credit card market. But because VISA—an association of banks—determines who and under what conditions an organization may issue its card, the company maintains a tight grip on what options are actually available to consumers.

Since 1991, VISA has barred MountainWest Financial Corp. from issuing its card, ostensibly because MountainWest is owned by Dean Witter, which also issues the rival Discover Card. That seems strange because Citicorp, one of VISA's largest members, has long offered its own competing Carte Blanche and Diners Club cards. Indeed, almost all of VISA's members also offer MasterCard, VISA's chief competitor.

Thus, facing what it viewed as baldly anti-competitive practices, in 1991 Dean Witter went to U.S. District Court in Salt Lake City. Although a jury unanimously determined that VISA was significantly inhibiting competition, the 10th Circuit Court of Appeals reversed the jury's decision last September.

Now Dean Witter has asked the Supreme Court to review the case. Should it be accepted by the court before the end of this term, the case will undoubtedly become a critical test case in antitrust law.

More important, it could potentially establish a landmark ruling for the tens of millions of American consumers who want a more competitive and less costly credit card market—a market in which American consumers' credit card debt stood at more than \$280 billion early last year, outstripping their auto loan debt. Consumer credit card charges totaled \$474 billion in 1993 and are projected to nearly triple to \$1.2 trillion by the year 2000.

So, until the Supreme Court renders a decision, the facts of the case provide us with a window into the rigid world of the charge card giant, revealing how far VISA is willing to go to maintain the high cost of credit.

Most consumers probably wonder why VISA should want to prevent a legitimate organization from issuing its cards. After all, VISA is a relatively open organization whose 6,000 members issue the card, charge annual fees, collect payments, and charge interest. All those members compete against each other for customers. The idea that adding one more member to the VISA family would pose a threat seems illogical.

An explanation may be found on the way that Dean Witter has chosen to compete in

the lucrative credit card market. It successfully shookup that market with the Discover Card in the late 1980's, and it was prepared to do so again with its VISA program in the 1990s—by offering a card with no annual fee, a generous \$3,500 credit line, and an initial interest rate of just 12.9% on each new purchase. VISA's 10 largest bank card issuers at the time—who collectively controlled a majority of all bank card business—were almost uniformly charging a sizable annual fee and a 19.8% interest rate. What Dean Witter was doing, in effect, was introducing a very unwelcome spirit of price competition into a credit card organization whose members were comfortably enjoying over 70% of the volume of the entire American market for general-purpose charge cards. So it is no wonder that the prospect of a Dean Witter VISA card sent tremors through VISA.

VISA had good reason to believe that Dean Witter's lowest-cost card could prove a threat to profits. By one estimate, every 1% decline in credit card interest rates translates into roughly \$1.7 billion that consumers won't have to pay. Similarly, The Wall Street Journal estimated that the elimination of credit card annual fees could reduce issuer's profits by up to 40%.

To VISA, these numbers are no theoretical accounting exercise. In 1991, when VISA learned that Dean Witter, through its MountainWest bank, intended to launch a VISA card, VISA invoked a bylaw prohibiting membership to any institution that offers other cards deemed competitive by VISA's board. It is hard to believe that VISA's suddenly invoked bylaw is anything other than a transparent maneuver intended to limit the effectiveness of Dean Witter and other aggressive new competitors.

What is really going on in the legal dispute between Dean Witter and VISA is a battle over how competitive the future market in credit cards will be. The truth is, the market is not nearly competitive enough, and most consumers know this. In the early 1990s, the U.S. Senate, in response to public outcry, passed a bill that, had it become law, would have arbitrarily capped the interest rates on credit cards.

Fortunately, there is probably a better way than heavy handed federal regulation to meet consumer demands. Today, most of the top 10 issuers of bank credit cards still charge an annual fee, and one charges interest rates of as high as 21.9% a year. Surely consumers would benefit from opening this credit card market to new and more aggressive competitors.

VISA's strategy, as Dean Witter proved at trial, is two-pronged: First, it wants to head off a major increase in the level of competition within VISA from new competitors like Dean Witter. Second, it hopes to scare off other financial institutions that might want to follow Dean Witter by introducing their own proprietary card, and thus increase competition against VISA.

The strategy is working. No new competitor has entered the market with a proprietary card since 1985. And, if the Supreme Court allows the lower court decision to stand, it will be a major setback for a more competitive and dynamic market in credit cards. Little wonder that several of the established banking associations are lining up behind VISA on this issue.

But what is at stake here is not the future well-being of the banking industry, but of a market that affects the financial opportunities of tens of millions of American consumers. The Supreme Court should be willing to listen to both sides.

STUDENT LOANS

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. HILLIARD. Mr. Speaker, I rise today to protest yet another one of the Republican plans to kill the American Dream. I am speaking of the budget that was rammed through last week. This budget gutted the student loan program, taking away the dreams and hopes of young people everywhere who will not be able to go to college if the plan is adopted.

The budget plan is BAD. The Republicans have betrayed the future of America, for 30 pieces of silver, by getting rid of student loans and by cutting taxes for their rich friends. In order to finance this despicable debt, they have sold out the young people of America.

When I think of how hard some of these kids have worked, studying and saving to get a college education, it makes me want to cry. And it makes me mad, too.

There are some wonderful kids in Alabama who now may not ever reach their full potential. We have enticed them with dreams of a bright future, and the Republicans have made that dream a nightmare. Wake up Alabama! Wake up America!

LITTLE LEAGUE AMBASSADORS

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. PALLONE. Mr. Speaker, 149 years ago, this June 19, the New York Nine played the Knickerbockers at Elysian Fields in Hoboken, planting the seeds that led to organized baseball in the United States. The rules which were established by Alexander J. Cartwright, who umpired the game, preceded the game between the Knickerbockers and New York 8 months later in Abner Doubleday's Coopers-town, NY.

America's favorite pastime has been a part of the scene in every State across the United States ever since, bringing together people of all backgrounds, races, beliefs, and economic strata in a fun-filled afternoon or evening of recreation, friendly competition, festivity, and vitality.

When Carl Stotz created the Little League in Williamsport, PA, in 1939, and encouraged baseball competition among youths between 9 and 12 years of age in the Keystone State and New Jersey, a competition that has grown to include the entire country, he did it with full knowledge that, as the Newark Evening News had said earlier, "An American boy can no more be separated from baseball than he can from the dinner table when he's hungry."

For many, the American pastime, baseball, is the American dream.

For 20 youths in the Sandy Hook Little League, bringing the great American pastime to the shores of the land their ancestors left, is the American dream of 1995.

The youths, accompanied by eight of their coaches, and attired in identical jackets, sweaters, and parkas depicting them as American ambassadors of friendship, will visit seven countries of Europe, beginning June 21,

playing baseball and cricket against competing teams from each of the countries. When they return to their native United States on July 4, the 219th anniversary of the signing of the Declaration of Independence, they will be carrying the message of thousands of European youth who believe, like themselves, that competition on the ballfield as a child will wipe out conflict on the battlefield as an adult.

These youths of the Sandy Hook Little League are astute scholars, all achieving their academics to the best of their abilities. They are dedicated ball players, hard playing and energetic. They represent more than award-winning, unscored against, record-breaking Little Leaguers who can outclass the best that has ever appeared on a baseball diamond.

They are, simply put, good, decent, wholesome American boys, the kind of kid the country can be proud of, the kind of kid who will be the leader of the Nation in the 21st century. They're the youngster with a fishing pole, sitting on the side of the river; the youngster with peanut butter on his nose and a smile across a freckled face; they're the imp who chews on a pencil before finishing that last question on a history quiz, or the big brother who hugs a baby sister, wondering why she cries.

They are the ones who can carry the message of friendship; the message that, while an ocean may separate us from the lands of our ancestors, a common interest in sportsmanship, fun, and friendly competition that can narrow the gap that divides people of different cultures, ethnic backgrounds, or religious beliefs.

While the United States enjoys lazy, languid days of summer, beginning June 21, our ambassadors of friendship will be visiting their contemporaries in England, the Netherlands, Belgium, Luxembourg, Germany, Switzerland, and France, competing with them on the baseball diamond, and learning their backgrounds and beliefs across the dinner table, in the park, or on the slopes of the Alps. While the United States resorts to the shore or mountains for summertime recreation, our youthful ambassadors will be touring the historic sites, enjoying the recreational facilities, learning the cultural highlights of the various nationalities they will meet on their historic journey back to their roots. In short, the Sandy Hook Little League representatives will be representing each and every one of us, using the laces of the baseball glove to tie together friendships and the sparkle of a baseball diamond to demonstrate to our European neighbors the jewels of America.

I ask you to join me in congratulating special ambassadors: Sean Andrews, Howard Paronto, Shane Kochon, Brian Wolcott, John Bellavance, Louis Collins, Ryan Collins, Chris Springsteen, James Murray, Donnie Hinchman, Lee Murchie, Brian Burton, Matt Smock, Brian Martin, Nick Riker, Chris Kaasmann, Sean Alvator, Scott Strohmenger, Matt Morin and Jason VanDeventer. I ask you to join me in wishing a safe journey to these ambassadors and their coaches: Thomas Andrews, Director, Herb Kochon, Substinence specialist, Rich Martin, security and first aid, Art Post, communications officer, Tom Barry, quartermaster, Lou Collins, field marshal, Herb "Cappy" Kaasmann, aquatics director, and Howard Paronto, navigator.

I invite you to join me in asking our special ambassadors to carry the message of peace and friendship, of healthy athletic competition

and international camaraderie to our friends across the Atlantic Ocean in seven nations of Europe where many of us have roots, memories, or familial ties.

I urge you to applaud the efforts of these special ambassadors to spread their message of sportsmanship, friendship, and international peace as they travel through the nations of Great Britain, The Netherlands, Belgium, Luxembourg, Germany, Switzerland and France.

I call on you to recognize these special ambassadors as they travel by plane, bus, boat, train, and on foot spreading the word of an America that is young enough to enjoy the baseball field yet mature enough to recognize that it is the leaders of tomorrow who will forge the future of a nation still considered a youngster in the eyes of its European friends.

I welcome your wishes for a safe journey, a successful ambassadorial experience and a lifetime memory for these young ambassadors, our hope for the future, the leaders of the greatest Nation in the world during the 21st century.

TRIBUTE TO THE FIRST ARMENIAN PRESBYTERIAN CHURCH OF FRESNO

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Ms. ESHOO. Mr. Speaker, I rise today to honor the First Armenian Presbyterian Church of Fresno, CA, which is celebrating its 98th anniversary this year. As the only Member of Congress of Armenian descent, it is a privilege for me to bring this vibrant church to the attention of the House of Representatives.

On July 25, 1897, 34 women and men gathered in a hall on "F" Street in Fresno and formally organized the First Armenian Presbyterian Church, the first Armenian Church in the State of California. The congregation was duly received and enrolled in the fellowship of Presbyterian Churches a few months later. It has been providing spiritual guidance and support to the Armenian community ever since.

Over the years, the First Armenian Presbyterian Church has been a source of strength for the Armenian faithful. It has brought our people closer to God through prayer and study. It has encouraged our people to celebrate the joys of life and the wonders of creation. And it has helped our people through times of turbulence, such as the Turkish genocide and the Great Depression.

Ninety-eight years after it began, this church has grown to nearly 400 members, and it is still meeting the religious needs of believers of every age, married couples, single followers, and the Armenian speaking.

Mr. Speaker, the First Armenian Presbyterian Church has been a blessing to the Armenian people, the city of Fresno, and the State of California. I ask my colleagues to join me in saluting this remarkable congregation and extending to it our warmest congratulations on its 98th anniversary.

A TRIBUTE TO DANISH CREAMERY ASSOCIATION ON THE OCCASION OF THEIR CENTENNIAL CELEBRATION

HON. CALVIN M. DOOLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. DOOLEY. Mr. Speaker, I rise today to pay tribute to Danish Creamery Association, the Nation's oldest continually operated, farmer-owned dairy cooperative. Danish Creamery is celebrating its 100th anniversary.

In the tradition of all agricultural cooperatives, Danish Creamery has a long history of bolstering the economy of the cities and counties of California. Since 1895, the association has helped valley dairy farmers provide markets for their milk and has supplied the entire State with quality butter and dairy products.

The creamery and the member dairy farms are also important employers in the region.

Over the years, the Danish Creamery Association has led the way in the advancement of dairy technology and in interstate and international marketing. It has also been an important voice in the development of national programs for the betterment of the entire dairy industry.

Mr. Speaker, I commend Danish Creamery for reaching its 100th anniversary and wish the association continuing success in providing its members with this valuable service.

TRIBUTE TO ATTORNEY BILL TAMAYO

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. DELLUMS. Mr. Speaker, today I rise to share with you and my colleagues that after 16 years, attorney Bill Tamayo, leaves the Asian Law Caucus [ALC] where he directed the immigrant rights project working on behalf of low-income immigrants and refugees, to join the Equal Employment Opportunity Commission. A 1978 graduate of the Martin Luther King, Jr., School of Law, University of California at Davis, attorney Tamayo has set a standard of commitment, dedication and community activism as an attorney, advocate and as a human being concerned with the quality of life of his fellow citizens.

Bill served as cocounsel on civil and human rights issues including immigration raids—International Molders and Allied Workers Union, Local 164 versus Nelson—and succeeded in legal challenges of Immigration and Naturalization Service [INS] regulations on the exclusion of Asian elderly who received public benefits, deportation of foreign-trained Filipino nurses, restriction on legalization and the building of INS detention centers in Oakland and Vallejo, CA. He was cocounsel in Equal Employment Opportunity Commission versus Tortilleria La Mejor, a landmark 1991 decision holding that undocumented workers are protected by the employment discrimination provision of Title VII of the Civil Rights Act of 1964.

Bill understood the importance of legal challenges; however, what makes him distinct from others in the legal profession is that also

became legislative advocate. He worked and spoke out against various proposals to cut back on legal immigration, due process rights of immigrants and for the battered immigrant spouse provisions of the violence Against Women Act. He has published several articles on immigration rights, and on Asian Americans and public policy on immigration matters and on Asian American political.

Bill has served on the Boards of the Coalition for Immigrant and Refugee Rights and Services, Asian and Pacific Islander American Health Forum, and the Poverty and Race Research Action Council. He served as the chair of the National Network for Immigrant and Refugee Rights. From 1986–88, he was a National vice-president of the National Lawyers Guild.

In the 16 years with the Asian Law Caucus, Bill's accomplishments and achievements are indeed remarkable. It is an indication of the role Bill Tamayo has played and will continue as a leader and participant in the struggle for peace, justice, and social equality. I join with countless other civil rights and community leaders in honoring this dedicated public servant, Attorney Bill Tamayo.

INTRODUCTION OF LEGISLATION TO CORRECT THE IMPLEMENTATION OF THE MARINE DIESEL FUEL TAX

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. FARR. Mr. Speaker, I rise today to call attention to an issue of great importance to the boating community nationwide; the problems caused by the marine diesel fuel tax provisions imposed under the Omnibus Reconciliation Act of 1993.

Under this provision, two types of marine diesel fuel are available to boaters. Clear, taxable fuel is offered for sale to recreational boaters, while blue-dyed non-taxable diesel fuel is offered for sale to commercial boaters. In effect, this provision forces commercial vendors of marine diesel fuel to either dispense two types of diesel fuel which must be stored in separate tanks, often at the unnecessary and excessively burdensome cost of building an additional tank, or to offer only one type of diesel fuel, usually the dyed, which is not readily available for sale to pleasure boaters.

While this tax provision was meant to ensure that recreational boaters pay their fair share of marine diesel fuel taxes, it has instead created a disastrous situation where many recreational boaters cannot find clear, non-dyed taxable fuel for their use. This provision often forces boaters to travel long, often perilous distances at sea, in the search for diesel fuel.

I am offering a practical solution to this problem. My bill would amend the marine diesel fuel tax provision to all boaters, both commercial and recreational, to purchases dyed diesel fuel and pay applicable taxes at the pump. The bill would make it easier for fuel vendors to offer taxable fuel for sale while making it easier and safer for recreational boaters to purchase this fuel. The greater availability of dyed diesel fuel could even lead to an increase in current revenues to the Unit-

ed States Treasury. Commercial boaters would remain exempted from this tax.

Mr. Speaker, this problem is not specific to one particular district or State. Boaters nationwide are suffering from the unavailability of diesel fuel at local marinas. I urge my colleagues in the House to act on this legislation as soon as possible to ensure safe and fair access to diesel fuel for all boaters.

DR. HENRY FOSTER

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. HILLIARD. Mr. Speaker, I rise today to address my colleagues of the House and speak out in support of Dr. Henry Foster. I believe strongly that Dr. Foster is an ideal candidate for this position.

Dr. Foster has devoted his entire career to ministering to impoverished and underprivileged citizens, especially teenagers.

He focused his efforts on addressing the problems of drug abuse and unplanned pregnancy among teenagers. Dr. Foster has recognized that the crisis of teen pregnancy is the root of many problems we face as a nation today. His work focused on motivating underprivileged teens to stay in school and graduate, and to concentrate on their futures.

The program he developed, called I Have a Future, was nationally recognized for its novel and innovative approach to the prevention of teen pregnancy. In 1992, he was honored by President George Bush as one of America's Thousand Points of Light.

In the late 1960's, Dr. Foster resided in Tuskegee, AL, where he was the only obstetrician in the area.

THE INTRODUCTION OF THE VOLUNTARY PROTECTION AUTHORIZATION ACT OF 1995

HON. JAMES A. HAYES

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. HAYES. Mr. Speaker, at a time when our economy demands that American businesses become more efficient to remain competitive, the relationship between management and labor, employer, and employee can no longer afford to be the confrontational one of the past. Improving health and safety in the workplace should not be divisive, but must instead be intuitive and one of our top objectives in facilitating greater productivity.

It is with this in mind that I join today with my fellow Louisiana colleague Congressman RICHARD BAKER to introduce the Voluntary Protection Authorization Act of 1995.

Our bill is intended to codify the highly successful Voluntary Protection Program [VPP] administered by the Occupational Safety and Health Administration. Under the current loose regulatory structure, VPP promotes effective health and safety program management that requires the participation and cooperation of both management and nonmanagement employees. Our legislation establishes framework that maintains the integrity of the existing pro-

gram by providing the appropriate incentives to businesses to develop and implement high quality health and safety plans.

Authorizing VPP will level the playing field and allow the program the opportunity to compete for scarce dollars with other training and compliance assistance programs which have traditionally received insufficient resources. By doing so, we will endeavor to enhance the commitment to health and safety in the workplace that can never be fully realized through enforcement alone.

There are approximately 155,000 employees and 200 worksites, including two in my southwest Louisiana district, presently participating in VPP. Labor and management have come together to improve among other important things, employee motivation, lower lost workdays, and workers compensation costs and claims. These are just a few examples of the benefits and accomplishments of VPP.

Health and safety is an issue that should not be volatile. Labor, management, and Government must work cooperatively toward the common goal of sustainable economic progress. Our bill represents such an effort. The proposal enjoys the support of representatives of the small businesses community, large industry, the VPP Participants Association, and rank-and-file labor of participating firms. I welcome my colleagues to join us in moving this consensus, bipartisan bill forward.

THE COMPREHENSIVE SURVEY OF YOUNG OFFENDERS ACT

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. WYDEN. Mr. Speaker, today I am introducing the Comprehensive Survey of Young Offenders Act. While Congress has spent much time and effort, and is about to spend vast sums on measures to address crime committed by adults, it is juvenile crime that is increasing exponentially. Particularly ominous, experts in the field report that while one can collect voluminous information on the national patterns and problems of adult crime and the adult criminal justice system, basic statistical data on the juvenile justice system is sketchy at best. Congress, States and localities have little or no comprehensive data on what the career record of a young offender looks like or how juvenile offenders flow through our country's juvenile justice systems.

A 1994 FBI study on major crimes reported that while the number of murders committed by adults 25 or older dropped 20 percent, the number of homicides committed by 18–24-year-olds increased 65 percent, and those by 14–17-year-olds increased 165 percent. However, according to several experts who study juvenile crime, by the year 2005 the number of teenagers in this country will increase 23 percent, and youth crimes will increase dramatically as well.

To effectively address youth crime, the Federal Government and the States need clear, straightforward data on how the current juvenile system functions. I have worked closely with Dr. James Q. Wilson, the noted UCLA criminologist, to meet this need through the legislation I introduce today. Dr. Wilson correctly pointed out that instead of fighting youth

crime with grandiose rhetorical statements like harsh treatment and mollicoddling, it is time to address the issue with a commonsense look at the facts.

There is a substantial amount of anecdotal evidence that indicates the juvenile system is in trouble. For example:

In Portland, my hometown, the Oregonian, described a case where a child committed 50 crimes, 32 of which were felonies, before the juvenile justice system took action to protect the community.

According to New York magazine, in New York State, 30,000 juveniles picked up for misdemeanors in 1993 were issued youth division cards and then released—essentially the paperwork was filed and the child walked out.

In Chicago, in the case of Yummy Sandifer, Newsweek reported that he averaged a felony a month for the last year and a half of his life (23 felonies and 5 misdemeanors in all). He was actually convicted of two felonies in juvenile court and nothing ever happened to him. Finally, he killed someone and was killed himself.

A system like this neither serves the children who commit crimes nor the community it is supposed to protect. Nationally, only 50 percent of juvenile cases even go to juvenile court. Most cases are handled by some form of social services division. The majority of juveniles who do go to court are given probation.

While this information indicates a system that is overwhelmed with violent offenders and doesn't have the legal remedies necessary to deal with such an influx, a broad overview of the problem is missing. The Comprehensive Survey of Young Offenders Act, would help Congress, States, and localities fill the holes in our knowledge of juvenile crime and our country's juvenile services. Right now there is little or no comprehensive data on the patterns of crime for young offenders, how many times a young offender goes through the juvenile justice system or which punishments or programs effectively protect the community and reduce recidivism.

This legislation would require the Bureau of Justice Statistics [BJS] to look into these issues—to survey available data on the crimes juveniles commit, to examine how young offenders flow through the juvenile justice system, and to report the outcomes of juvenile cases that are both petitioned to juvenile court and those that are handled informally.

Additionally, my legislation would require the BJS to design and estimate costs of a program that will improve data collection on young offenders in the States. While many States are moving in the direction of juvenile reform, few systematically evaluate the outcomes in their juvenile justice programs.

It is obvious that the rate of juvenile crime is climbing. What Congress now needs to do is take a comprehensive look at how our country's juvenile systems are handling that increase in crime and then evaluate where our national policy needs to go to address this enormous challenge.

AGRICULTURE WATER CONSERVATION ACT

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. CONDIT. Mr. Speaker, I rise today to introduce the Agriculture Water Conservation Act.

During 1992, nearly 1.5 million acres of cropland in the United States irrigated by surface/gravity methods, either was converted to more efficient irrigation systems or was removed from production. At the same time, low-flow irrigation acreage increased by 15 percent and sprinkler acreage grew at a pace of 3 percent. An increasing demand on a limited water supply has created a demand in the agriculture community for water conservation.

Over the last several years I have read countless articles in different publications on the need to conserve water, and the role Federal Government has with this mission. While discussing water conservation methods with farmers in my district, I found cost was their overriding concern. The outlays required to implement water conservation systems—i.e., drip irrigation, sprinkler systems, ditch lining—are a tremendous burden on the agriculture industry. While I firmly believe most agriculture interest are genuinely concerned about conserving water, cost has crippled by the ability to implement conservation methods on farms.

My bill is not a mandate for expensive water conservation systems, it is a tool and an option for the farmer. Specifically, it will allow farmers to receive up to a 30 percent tax credit for the cost of developing and implementing water conservation plans on their farm land. The tax credit could be used primarily for the cost of materials and equipment. This legislation would not require them to change their irrigation practices. However, it would allow those farmers who want to move toward a more conservation approach of irrigation but cannot afford to do it during these tough economic times.

I am currently focusing a great amount of effort on reducing the threats to viable agriculture in the United States. The Agriculture Water Conservation Act, which is similar to legislation I introduced in the last two Congresses, is the kind of incentive we need in order to establish conservation measures which enable farmers to assist in solving water shortage problems. I believe providing for the long term water supply needs of environmental, urban, and agricultural users is a critical part of the solution.

The Agriculture Water Conservation Act is not the end all solution. Since I have introduced this bill in 1992 I have consulted with farmers, local irrigation districts, the Department of Interior's Bureau of Reclamation and the Department of Agriculture's Natural Resources Conservation Service. All these groups have given me helpful and beneficial advice on how to improve on this legislation. I believe farmers will contribute to solving water supply problems when given the opportunity, as they already have through conservation transfers and crop changes. This bill will provide yet another vehicle for farmers to contribute toward a solution while offering a modest credit to share the cost with the true beneficiaries—the public.

USDA INSPECTOR GENERAL'S JANUARY 1995 REPORT "APHIS ENFORCEMENT OF THE ANIMAL WELFARE ACT"

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. BROWN of California. Mr. Speaker, as a long-time supporter of animal welfare legislation and as one of the Members of Congress intimately involved in the 1985 amendments to the Animal Welfare Act [AWA], I have a keen interest in promoting the humane treatment of animals as well as ensuring the strength and enforceability of the Animal Welfare Act.

After an initial review of the USDA inspector general's January, 1995, report, "Animal and Plant Health Inspector Service (APHIS) Enforcement of the Animal Welfare Act," I am deeply concerned with the Agency's ability and willingness to adequately monitor and reasonably ensure the humane care and treatment of animals. The inspector general stated, "APHIS does not have the authority . . . to effectively enforce the requirements of the Animal Welfare Act." While I am pleased to see this unambiguous statement, I am greatly troubled by the USDA's seemingly willful neglect of the law. It took APHIS over 6 years to promulgate regulations based on the amendments to the act that were enacted in 1985. While this delay in responding to the requirements of the amendments was in my view unacceptable, I find it even more disconcerting that the problems associated with the enforcement of this act have not abated.

Lack of adequate resources is part of the problem associated with APHIS's ability to adequately monitor and inspect animals and facilities. In the past I have testified before the Appropriations Committee in favor of increased funding for enforcement of the AWA. I realize that Congress shares the burden of responsibility for not allocating the appropriate resources needed to fully implement this law.

More importantly, however, the inspector general's report indicates that APHIS has been neglecting its statutory obligations and has renewed facility licenses even when cited violations—past and present—had not yet been corrected. Additionally, APHIS is not inspecting research facilities before issuing the initial registrations, therefore noncompliance with the act may go unnoticed until APHIS' first inspection up to a year later.

It was clearly the intent of Congress that facilities should come into compliance before being issued the initial registrations, and that license renewals should be withheld where licenses have been suspended or revoked or in instances where facilities are not in compliance with the provisions of the act. Section 2.3 of the Animal Welfare Act, among others, implicitly gives APHIS the authority to conduct inspections and to deny renewals. The provision reads:

Each applicant must demonstrate that his or her premises and any animals, facilities, vehicles, equipment, or other premises used or intended for use in the business comply with the regulations and standards set forth in parts 2 and 3 of this subchapter. Each applicant for an initial license or license renewal must make his or her animals, premises . . . available for inspection . . . to ascertain the applicant's compliance with the standards and regulations.

While APHIS maintains that it does not have the authority to withhold licenses for failure to comply with AWA requirements once an original license is issued, the agency does in fact have the authority to suspend and revoke the license of any facility that violates the act. I am hopeful that this misunderstanding within the agency can be corrected. If APHIS does not have the authority, under current legislation, to enforce the requirements of the act, then it should seek the authority from Congress or initiate legislation, as the inspector general has recommended, amending the act to provide APHIS with the proper authority.

The report surely provides plenty of ammunition for concerned groups and citizens who have asserted for years that APHIS is not willing to enforce the AWA. I am hopeful that we can move forward from here and begin to provide a more meaningful level of protection for the thousands of animals under the current jurisdiction of APHIS. I look forward to seeing APHIS move forward with a progressive approach toward rectifying the egregious problems associated with the enforcement of the act and its concomitant regulations.

NATIONAL ENDOWMENT FOR
DEMOCRACY PROGRAMS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. HAMILTON. Mr. Speaker, I would like to call to the attention of my colleagues a letter I have received from Mr. John Brademas, chairman of the board of directors of the National Endowment for Democracy. The letter is in response to an article in Harper's Magazine criticizing a meeting sponsored by NED in Zagreb.

I agree with Mr. Brandemas that the Harper's article was filled with distortions that do not accurately reflect the purpose or the results of the Zagreb meeting. Those distortions and inaccuracies need to be addressed.

The National Endowment for Democracy has been in the forefront of supporting and promoting democratic values and the democratic system around the world for many years. The contributions made by the work of the Endowment, particularly in the emerging democracies of Central and Eastern Europe and in the former Soviet Union, have gone a long way to consolidating the movement toward democracy in those countries.

NEW YORK, NY,

June 2, 1995.

Mr. LEWIS H. LAPHAM,
Editor, Harper's Magazine,
New York, NY.

DEAR MR. LAPHAM: Your reporter's cynical account of the meeting the National Endowment for Democracy (NED) recently sponsored in Zagreb, Croatia ("At Play in the Fields of Oppression," May, 1995) betrays an almost willful ignorance of the meeting, its results—which were considerable—and the larger work of NED.

As Chairman of the Endowment's Board of Directors, I would like to set the record straight.

The purpose of the Zagreb meeting was to bring together democratic activists from Southeastern Europe to meet with one another and with Western groups interested in supporting free government and human

rights, but seeking more knowledge of the region and its non-governmental organizations (NGOs). Since fighting began in the former Yugoslavia four years ago, like-minded activists living in different republics have found it nearly impossible to communicate with one another. Their respective societies have virtually no contact; for example, the telephone lines between Zagreb and Belgrade have been cut for over three years.

The Zagreb meeting, attended by representatives of 67 NGOs from the region and 34 Western aid organizations, was not the idle talk portrayed in the article, but a rare opportunity for friends of democracy in the war-torn Balkans to share ideas and establish contacts that will lead to practical assistance.

A few facts will give the lie to the charge that NED's programming is centered around meaningless conferences. The Endowment, which has been active in the former Yugoslavia since 1988, has provided computers, printing equipment, and vital supplies to independent newspapers and radio stations in Bosnia and Serbia-Montenegro. Without this timely aid, these free media outlets would have had to shut down. Acting through the Free Trade Union Institute, NED assists a multiethnic trade-union confederation in Serbia that openly challenges the anti-democratic policies of the Milosevic regime. Endowment funds also help underwrite the cost of the Balkan Media Network, an electronic bulletin board that links the region's media outlets through E-mail. These are but a few of the tangible forms of assistance that characterize NED-supported programs in every former Yugoslav republic.

Among the substantive results of the meeting in Zagreb are the many proposals the Endowment has received from participants inspired by the informal discussions and workshops they attended. Although the article identifies the director of an independent Bosnian radio station as a leading critic of Western donors, this same man felt the meeting of sufficient value to offer afterwards a project for the Endowment's consideration.

From the beginning, the Zagreb meeting was conceived as a way speedily to provide practical help to worthy groups that were poorly known (or completely unknown) to Western organizations, and to urge more Western groups to work in the region. Fortunately, Western groups never before active in the region have decided to get involved. A good example is NED's sister institution in Great Britain, the Westminster Foundation for Democracy, which will be working in Kosovo as a direct result of contacts made in Zagreb.

Your reporter falsely interprets the activists' general (and understandable) complaints about the larger Western failure in the Balkans as an attack on NED, and focuses attention on some stray inanities uttered by a handful of the Western participants. He seems to have missed hearing any of the dozens of serious exchanges that took place informally. Yet those exchanges represented the real work of the meeting as participants developed plans for building independent media organs, human rights groups and civic organizations throughout the region.

Nowhere in the article is there acknowledgement that the meeting in Zagreb was an indigenous effort organized by the Erasmus Guild, a well-respected Croatian NGO. The Endowment-supported guild has worked effectively to promote civil society and ethnic harmony in a region that desperately needs both. For example, the Guild has successfully convened roundtable sessions that have brought together Croat, Serb and Muslim democrats to discuss inter-ethnic relations

and the building of viable voluntary associations.

As Dr. Vesna Pusic, the Guild's Director has pointed out, "It is absolutely essential to avoid replicating in the NGO sector a monopoly similar to the one that has been created by the ruling parties in most of the countries on the territory of the former Yugoslavia. That can be secured only by providing multiple sources of financing for different non-government organizations." This sentiment has been echoed by the Open Society Fund in Serbia, financed by the philanthropist George Soros, which has appealed for other funders to become involved.

The article is too loaded with inaccuracies and distortions to point them all out. Let me cite only the most blatant ones:

(1) None of the Eastern European participants had to pay their way to the meeting. Conversely, Western groups did.

(2) The reference to criticism of the Endowment by government accountants is based on a 1991 General Accounting Office report. Its recommendations for managerial improvements have long since been implemented.

(3) The description of two grants (neither accurately described) made by NED in 1984, the very first year of operations, continue to be trotted out by Endowment critics as proof that it "meddles" in the internal affairs of other countries. Yet the issues raised by these grants were addressed long ago: the Endowment has strict internal prohibitions against involvement in political campaigns (distinguished from electoral processes), and NED has a policy against working in established democracies. To put these two grants into perspective, I note that NED has funded over two thousand projects during its existence.

(4) The allegation that the International Republican Institute (IRI) expended funds to help finance the 1990 Republican National Convention is false. Funds raised privately were used to bring democratic activists from abroad to experience a particular aspect of American democracy and to be briefed by experts on campaigns, polling and elections.

(5) The IRI did use business class travel for its pro bono participants in overseas programs at a time when doing so was well within government regulations. Since 1992 (before the change in government regulations), IRI has permitted its volunteers and staff to travel in coach class only.

Let me close with a personal observation: After 22 years in Congress and 11 as President of New York University, I agreed to serve as Chairman of the National Endowment for Democracy, an obligation I did not assume lightly. To me, democracy is serious business and, in my case, a matter of life-long commitment. I wish that Harper's would have been more discerning in publishing an article about a critical issue—encouraging free and democratic political institutions in countries that do not enjoy them—rather than accepting such a cynical, indeed arrogant, misrepresentation of fact.

Sincerely,

JOHN BRADEMAs.

APACHE LANGUAGE KEY TO
CULTURE'S SURVIVAL

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. PASTOR. Mr. Speaker, there are fewer eloquent leaders in Arizona, or the Nation, than Chairman Ronnie Lupe of the White

Mountain Apache Tribe. Time and again Chairman Lupe has seized the attention of a large crowd in a busy meeting with his passion and spirit as he speaks of his Apache people and their heritage.

Mr. Speaker, Chairman Lupe's eloquence is not confined to the English language. He is as eloquent and as forceful in his sacred Apache language as well.

In a recent article published in the newspaper "Indian Country Today", Chairman Lupe writes of the threats posed by today's cultural influences on native America languages.

I would call the attention of all my colleagues to this excellent and forceful article:

[From the Indian Country Today]

APACHE LANGUAGE KEY TO CULTURE'S SURVIVAL

(By Ron Lupe)

A recent article in the Arizona Republic rekindled my deep concern about the preservation of our Apache language.

This article, which reported on a meeting of linguists, said that in the opinion of the experts, half of all spoken languages will become extinct in the next century. It further stated that there are currently 6,000 languages spoken in the world, but in the next 100 years half of them will become extinct.

The thought of the possibility that our sacred Apache language could be among those that become extinct was truly upsetting. To me, that is thinking the impossible. Not only would it mean an end to our spoken language, but it would be the demise of the cultural richness we reflect in our Apache language and express in our prayers.

Who would we be without our language?

Yet, as I go around our reservation, I hear fewer and fewer of our younger children speaking Apache. I see less emphasis on the speaking of our language in our homes. And while the recent efforts of the school district to incorporate the teaching of the Apache language in the lower grades is commendable, I'm afraid that alone will not be enough to reverse these trends.

According to the newspaper report, the culprits in the extinction of Native languages are no longer official government policies, as it was back in the boarding school and early reservation days.

Rather, it's the pervasive influence of the electronic media. The ever-present television, the videos, the music tapes and CDs and all of the other media influences that come to us in the dominant English language are having a destructive effect on the survival of Native languages.

The trend is true not only for the White Mountain Apache but for people all around the world. The influence of the modern electronic media is powerful and we see it operating on our own lives, as well as the lives of our children and our grandchildren.

It will take an extraordinary effort to counteract the dominating influences that are undermining the preservation of our Apache language.

It's interesting that the federal government will go to great lengths to protect endangered species like the loach minnow or small plants and insects, and yet it does very little to preserve the Native languages that exist within the United States.

It's a sad commentary on federal policies that plant and insect life have a higher priority with our government than the Native languages, which are capable of capturing and reflecting so much cultural beauty and diversity.

The same newspaper article reported on an 80-year-old Promo woman from California who recently died.

She was the last Native speaker of her tribe's language.

What a tragedy! We must work hard to see that similar tragedies never happen to our people and our Apache language, which reflects so much of the beauty and richness of our culture and traditions.

Another article on the same page reported on recent research findings showing that languages are best learned when an individual is young. Research has shown that as we get older, we lose the ability to learn languages. Experts feel that the best time to learn languages is between the ages of two and 12.

It's clear that we must concentrate on instilling the Apache language in our very young. That means there has to be a concerted effort in the home, at Head Start and the lower grades. And, it is in the home where the greatest influence on the acquiring of the Apache language will take place.

If the ability to speak Apache is important to the parent, it is likely that it will be important to their children. Apache parents need to know that they have a responsibility to pass on our rich cultural heritage to their children, and that the future of the Apache language truly depends on them.

Likewise, it should be the role of our tribal government to try to reinforce and emphasize—to our youngsters and other tribal members—the importance of learning our Apache language.

Such efforts can only supplement what the child is exposed to at home and with his friends. Despite the formidable obstacles, we must continue our efforts to keep our Apache language as a vibrant and vital part of our everyday life. That's why the recently adopted constitution included provisions requiring tribal council members to be fluent in our language. This was done to insure that our special Apache way of looking at the world, as reflected in our Apache language, is maintained in our governmental decision-making processes.

There were times when we were discriminated against by government agencies and schools for speaking our own Apache language. We were considered second-class citizens if we chose to speak our Apache language, rather than English. To a great extent, this cruel psychological attack from the government and others was successful.

Even today, there is legislation in Arizona and other states designed to embarrass other nationalities who speak their own language and to establish English as the only "official" language of the United States. Such discrimination will undermine our bi-lingual education efforts.

While we still have a majority of our tribal members speaking our Apache language, we must do all that we can to insure that our language is preserved and transmitted to future generations of the White Mountain Apache.

TRIBUTE TO SAN ANTONIO POLICE OFFICERS

HON. FRANK TEJEDA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. TEJEDA. Mr. Speaker, we do not often enough have the opportunity to say "thanks" to the many hardworking men and women in our local police forces who risk their lives day in and day out to protect our towns and cities. I recently received a letter describing the successful efforts of San Antonio police officers to apprehend the perpetrators of a foiled assault and robbery. The crime victim eloquently describes the incident and her gratitude to the

assisting officers. I echo her sentiments and offer my thanks to the police officers for their professionalism and teamwork. The letter is set forth below:

APRIL 25, 1995.

Hon. FRANK TEJEDA,

Cannon House Office Bldg., Washington, DC.

DEAR FRANK TEJEDA: On February 21, 1995 at 4:00 p.m. I was at Ed's Car Wash on Military Drive. While washing my car I noticed six teenagers standing on the side of the stall I was occupying. I thought they were waiting for their after school bus.

As I was washing my car a teenager, who later turned out to be the perpetrator, asked me for the time. I replied that it was 4:00 p.m. I felt uneasy because something in the way he was acting did not seem right. At this time I noticed that two of the teens were watching me. At first I was going to just leave but I thought I was in a public place and there were plenty of people around, I felt I was safe.

As I was putting the wash wand up, I heard running behind me. Just as I turned around there were two more teens coming at me. At this time the first teen that asked for the time started attacking me. He grabbed me from behind the neck and started choking me. I could feel myself starting to black out. At this point, he started to hit me in the mouth with his fist, causing an open injury inside my mouth and I could feel myself start choking on my own blood. He placed a gun at the back of my head and then hit me on the side of my face with the gun. He kept ordering me to give him my car keys and telling me to get into the car. I could do neither as he was still choking me until I was nearly passing out and I could not talk at this time. He had my arms and legs pinned against the car. My keys were locked in the car. He finally loosened his grip on my throat and I was able to tell him my keys were locked in the car and I had a car code. Then I screamed "God help me." He look frightened and they all started running. I also started running in the other direction. I yelled for someone to help me and call the police that some teens had tried to kill me and one of them at least had a gun. Everyone got into their cars and left me standing there. But someone did call the police and they were there within minutes. The police had caught all of the teens within minutes.

The following officers from the West Side Sub-station were involved in the arrest of the teens:

1. Officer Sid McDonald—#282.
2. Officer Daniel Zamora—#1198.
3. Officer Kevin Wreser—#1022.
- Officers assisting in the arrest were:
1. Officer Joe Esquibel—#129.
2. Officer Mavin Cannon—#966.
3. Officer Steven Martinez—#547.
4. Officer Randy Geary—#1141.
5. Officer Royce Basquez—#1194.
6. Officer Ruben Ramon—#775.
7. Officer Steven Howard—#932.
8. Officer Michael Kubena—#2002.
9. Officer William Biesenbach—#2381.

Investigating Officer—I. Sgt. Greg Young.

These fine officers showed concern for me and professional teamwork in the apprehension of these teenage juveniles. Within minutes the teens were caught. It was later learned that every one of them had prior arrest records.

Please thank these officers.

I have always stated and I will state again we have the finest police department in the United States. Please tell them to keep up the good work and God Bless All of the Police for making me feel safer because they are there.

I will always Back the Blue.

Sincerely Yours,

RUTH MAHL,
Executive Director, Helping Hands Lifeline
Foundation.

LEGISLATIVE BRANCH FUNDING BILL

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. PACKARD. Mr. Speaker, last week the Legislative Branch Subcommittee, which I chair, slashed \$155 million in an unopposed bill. And that is just the beginning. If every other Government agency cut themselves back like we did, we would be three-quarters down, \$133 billion, the road toward a balanced budget in 1 year—never mind the year 2002. We have set the standard and now it's up to the other branches of Government to do their part.

We must make Congress work better and at less cost to the taxpayer. To that end, we have defunded certain items, looking toward privatizing them, eliminated others which were redundant, reduced those which were bloated and recommended innovative ways to move Congress into the 21st century. The bill is structured to allow for privatizing many of the constituent related services including congressionally flown flags, historical calendars, and some mailing operations. We also eliminated redundant agencies and services. Among them, the Office of Technology Assessment [OTA], the Joint Committee on Printing, one House parking lot, funding for the barber and beauty shops and the House restaurants. And remaining agencies have all been held at fiscal year 1995 levels or have been reduced greatly.

This bill does what we said we would do last November. We are downsizing Government, making it work better for less. I ask that my colleagues support this effort.

WHEN INSURANCE TAX BACKFIRED, CONGRESS PASSED THE BUCK

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. FILNER. Mr. Speaker, newspapers across the country last week reported a story that this Congress and the Clinton administration have known for several years—the Federal Government is losing almost \$2 billion annually because of a flaw in the tax policy. The analysis, prepared by a team of investigative reporters from the Associated Press [AP], concluded that a powerful political lobby has succeeded in blocking all attempts to close this unintended loophole. I ask unanimous consent to reproduce this report in the CONGRESSIONAL RECORD.

The political lobby cited by the AP story is the mutual life insurance industry. The industry says they have been assured by Ways and Means Chairman Bill Archer, according to AP, that Congress isn't "looking to advance anything."

At a time when Congress is supposedly examining every program for possible cutbacks and savings, we should not put any spending item—including unintended tax loopholes—off limits from scrutiny. My colleagues should be aware that Senator BOB DOLE recently stated on "Meet the Press" that closing loopholes is not considered a tax increase—but merely a correction.

The unintended loophole in Federal tax policy identified by the AP story in section 809, a provision included in 1984 amendments to the U.S. Tax Code. The Ways and Means Committee acknowledged in 1989 that section 809 had backfired and tried to fix the problem. As reported by AP, "After months of hearings and debate, lawmakers caved to the insurance lobby, with—the committee—asking the industry to devise its own tax plan." No industry recommendations have been forthcoming.

My own investigations suggest the yearly loss of revenues from section 809 is nearly \$2 billion, a staggering amount of money. Rather than cut food programs for school children and hungry families, Congress should use these funds to reduce the Federal deficit.

Representative HELEN CHENOWETH and I have introduced legislation, H.R. 1497, to repeal section 809, a bill to restore tax fairness and close an unintended loophole. The Congress is proposing to ask every American to share in the effort to control spending, and to share the pain from downsizing the Federal Government. Everyone should be expected to contribute to this effort, including mutual life insurance companies which now escape their fair share of the tax burden.

Mr. Speaker, the independent voice of the Associated Press has revealed in this article that this \$2 billion loophole exists and is being used by a handful of the country's largest mutual insurance companies. I hope the Ways and Means Committee will hold hearings on this situation and approve the legislation Congresswoman CHENOWETH and I have proposed to correct it.

Because no other major media outlet has delved into this national scandal, the AP story is reprinted below:

WHEN INSURANCE TAX BACKFIRED, CONGRESS PASSED BUCK

(By David Morris and John Solomon)

WASHINGTON.—Congressman BOB FILNER wants to put billions of extra dollars in the U.S. Treasury, but he is having trouble finding people to take up his cause.

The California Democrat has introduced legislation designed to close a loophole in federal tax law that allows mutual life insurance companies to avoid paying at least \$1 billion in additional taxes each year. The legislation, similar to his bill that stalled in the last session of Congress, appears likely to be blocked again by the politically savvy insurance lobby.

The problem is not new. For six years, top officials in Congress and at the White House have known that an earlier law intended to increase taxes on the mutual companies backfired. Instead of raising additional tax dollars, documents obtained by The Associated Press show the 1984 law unwittingly gave mutual companies a new deduction that wiped out most of the intended increase.

"We compromised away too much," said Rep. Pete Stark, D-Calif., a frequent critic of the insurance industry and an architect of the 1984 plan. Accounting studies show the mutual insurance companies which include such insurance giants as Prudential and Metropolitan Life, pay taxes at half the rate of

stockholder-owned insurers 10.8 percent versus 22 percent. The disparity was supposed to be corrected through an additional tax on the mutuals, which are owned by their policyholders. The catch came in a provision of the 1984 formula that allowed the mutuals to deduct capital gains.

Congress expected the deduction to be minimal, since mutuals had reported less than \$100 million in capital gains between 1979 and 1984. But the mutuals changed their accounting, declaring nearly \$15 billion in capital gains over the next five years. With encouragement from the Bush administration, Congress tried to fix the problem in 1989. But after months of hearings and debate, lawmakers caved to the insurance lobby, with then-House Ways and Means Committee Chairman Dan Rostenkowski asking the industry to devise its own tax plan.

That, Stark scolded, "was like putting them on a steak and ice cream diet and telling them to get their cholesterol and fat down." The industry convened a study group, but eventually abandoned the effort.

Filner's bill also appears unlikely to solve the problem. He has only one co-sponsor, while the mutual industry apparently has locked up a powerful commitment to keep the bill back. Carroll Campbell, a former South Carolina governor who now heads the American Council of Life Insurance, said he recently received assurances from Republican Ways and Means Chairman Bill Archer that bills to raise taxes were "non-starters."

Archer declined an interview. Ted Groom, a spokesman for the mutual side of the industry, said the system is already unfair. He contends that changing the law to collect more taxes would drive mutual companies out of business. "We are currently over-taxed," he said in an interview.

Still, study after study by independent agencies has shown that the 1984 law backfired, and that giant mutual companies were benefiting the most. One 1989 Treasury Department study said the law was supposed to generate \$5.2 billion from the mutual insurance industry from 1984 to 1986, but had fallen \$2.4 billion short. Other estimates put the shortfall as high as \$2 billion a year.

Most large mutual companies have entirely offset the amount of new taxes they were supposed to pay. Some even claim the formula left them with a negative tax bill, and one company has sued to get the money back from the government. The government's expert witness in that case estimates that if the company wins, mutual companies could get refunds of up to \$5 billion.

For years, the mutual companies have argued that the official figures indicating they were paying a low tax rate were erroneous. But they have failed to offer proof. This year, the industry apparently changed its tack, acknowledging the 809 section worked in its favor in the early years. But mutual companies also point to a 1995 analysis by Moody's Investors Service, which predicts the industry will see a sharp increase in taxes this year because a poor year gave them fewer capital gains to deduct.

Girding for a new fight in Congress, insurers donated an estimated \$25 million to the national parties and congressional candidates in the past two elections. They also have hired some of the most powerful lobbyists in Washington, including Thomas J. Downey, a former member of the House Ways and Means Committee.

As the lobbyists lined up in opposition, Filner tried to get help from the Clinton administration, which has declared war on "corporate welfare." But the administration has refused to take a position on the tax measure.

ARCHER-JACOBS FAMILY MEDICAL
SAVINGS AND INVESTMENT ACT
OF 1995

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. ARCHER. Mr. Speaker, I am introducing H.R. 1818, the Family Medical Savings and Investment Act of 1995. The American people want health care reform—but not health care reform that relies on one-size-fits-all big Government solutions. Medical savings accounts will allow Americans to find affordable health care tailored to their personal needs. By allowing businesses and individuals to set up tax-free accounts to use for their health care expenses, this bill accomplishes three things. It makes health care more affordable and more accessible, and it promotes savings.

One of the reasons health care costs have skyrocketed is overuse and abuse of the system. By giving patients incentives to purchase health care more carefully, medical savings accounts will reduce the pressures that cause costs to rise.

Medical savings accounts also increase access to health care. If you have your own account, you won't lose your health care if you change jobs or lose your job.

Finally, MSA's promote personal savings. Nearly all of the economists who have come before the Ways and Means Committee agree on one thing: we badly need more savings. MSA's provide a savings-based answer to the health care dilemma.

Last year, the American people were denied meaningful health care reform because the administration took an all-or-nothing big Government approach that left them with nothing. Our incremental approach looks to be just what the doctor—and the American people—ordered.

Medical savings accounts legislation has long been a goal of mine. And now, this is an idea whose time has come. I hope that my colleagues, on both sides of the aisle, will join me in supporting this legislation which will allow Americans to find better quality, more affordable health care.

FAMILY MEDICAL SAVINGS AND INVESTMENT
ACT OF 1995

TECHNICAL DESCRIPTION OF THE BILL
IN GENERAL

The bill would permit individuals who are covered by a catastrophic health plan to maintain a medical savings account (MSA) to assist in saving for expenses not covered by the health plan. Within limits, contributions would be excludable from gross income if made by the employer and deductible if made by the individual. In general, the aggregate amount of individual and employer contributions that could be deducted or excluded for a taxable year would be the lesser of (1) the deductible under the catastrophic health plan, or (2) \$2,500 if the MSA covers only the individual or \$5,000 if the MSA covers the individual and the spouse or a dependent of the individual. Withdrawals from an MSA would be excludable from income if used for medical expenses for the individual and his or her spouse or dependents.

DEDUCTIBLE CONTRIBUTIONS TO MSAS

A deductible contribution could be made to an MSA for any month in which the individual is an eligible individual. In general, a person would be an eligible individual for a

month if, at any time during the month, he or she is covered under a catastrophic health plan and (at the same time) is not covered under a health plan other than a plan that provides certain permitted coverage.¹ No deduction would be allowed for a year if employer contributions (including transfers from flexible spending arrangements) are made to an MSA for the individual. (As discussed below, such employer contributions would be excludable from income.)

A catastrophic health plan would be defined as a health plan that has a deductible amount of at least \$1,800 (or \$3,600 if the plan provides coverage for more than one individual). These dollar limits would be indexed annually for inflation (rounded to the nearest multiple of \$50).

The maximum deductible contribution to an MSA would be determined separately for each month based on the individual's status for each month, including whether the individual is an eligible individual, whether or not the MSA covers more than one eligible individual, and the amount of the deductible under the catastrophic health plan.

In general, the maximum annual deductible contribution would be the sum of the following amounts determined separately for each month. 1/12 of the lesser of \$2,500 or the deductible under the catastrophic health plan for each month² in which the individual is an eligible individual and the MSA covers only the individual, and 1/12 of the lesser of \$5,000 or the deductible under the catastrophic health plan for each month in which the individual is an eligible individual and the MSA covers the individual and another eligible individual who is the spouse or dependent of the individual. The maximum annual deduction limit would be reduced by any employer contribution to an MSA and any amounts transferred to an MSA from a flexible spending arrangement (FSA). After 1995, the dollar limits would be indexed for increases in the medical care component of the consumer price index. Such increases would be rounded to the nearest multiple of \$50.

The deduction limit generally would be determined separately for each spouse of a married couple. If both spouses are covered under the same catastrophic health plan, then the deduction limit generally would be divided equally between the spouses unless they agree on a different division in the time and manner prescribed by the Secretary of the Treasury.

Example: Individual A, who has compensation of \$50,000 a year, is covered by a catastrophic health plan with a deductible of \$2,400 for individual coverage and \$4,800 in the case of family coverage (and no other health plan) for all of 1996. Individual A is single at the beginning of 1996, but marries in July 1996. A's spouse is also covered by the same catastrophic health plan as A (and no other health plan). The maximum deduction limit for A is calculated as follows. For each of the months January through June of 1996, the contribution limit is \$200 and for each of the months July through December of 1996, the contribution limit is \$400. Thus, the maximum limit for the entire year is \$3,800.

The deduction for contributions to an MSA would be taken in arriving at adjusted gross income (i.e., "above the line"). No deduction would be allowed to an individual if any other individual is entitled to a personal exemption for such individual.

Contributions to an MSA for a taxable year could be made until the due date for filing the individual's tax return for the year (determined without regard to extensions).

EMPLOYER CONTRIBUTIONS TO AN MSA

Employer contributions to an MSA on behalf of an eligible individual would be ex-

cludable from gross income and wages for employment tax purposes. The amount excludable could not exceed the deduction limit applicable to the individual (determined without regard to the employer contributions).

DEFINITION AND TAX TREATMENT OF MEDICAL
SAVINGS ACCOUNTS

In general, an MSA would be a trust created exclusively for the purpose of paying the qualified medical expenses of the MSA holder (or his or her spouse or dependents) that meets requirements similar to those applicable to individual retirement arrangements (IRAs). The trustee of an MSA could be a bank, insurance company, or other person that demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with applicable requirements.

MSAs generally would be taxable under the rules relating to grantor trusts. Any capital loss for a taxable year from an asset held in an MSA would be allowed only to the extent of capital gains from such assets for the taxable year.

An MSA trustee would be required to make such reports as may be required by the Secretary.

TAX TREATMENT OF DISTRIBUTIONS

Distributions used to pay the qualified medical expenses (not reimbursed by insurance or otherwise) of the individual or the individual's spouse or dependents would be excludable from gross income. Qualified medical expenses would be defined as under the rules relating to the itemized deduction for medical expenses (sec. 213), except that for this purpose medical expenses would not include insurance premiums other than premiums for a catastrophic health plan and would include premiums for long-term care insurance.

Distributions from an MSA that are excludable from gross income could not be taken into account for purposes of the itemized deduction for medical expenses.

Amounts not used for qualified medical expenses would be included in gross income to the extent such distributions do not exceed the excess of (1) the aggregate contributions to such account which were deductible or excludable from gross income, over (2) the aggregate prior payments from such account which were includable in gross income. An additional tax of 10 percent of the amount includable in income would also apply unless the distribution is made after the individual dies or becomes disabled.

FLEXIBLE SPENDING ARRANGEMENTS

The bill would provide that amounts in a health FSA could be transferred to an MSA for an eligible individual. A health FSA would not fail to be such merely because it permits such transfers. Such transfers would be excludable from gross income and would reduce the otherwise applicable contribution limit to an MSA.

An FSA generally would be defined as a benefit program which provides employees with coverage under which specified incurred medical expenses may be reimbursed (subject to reimbursement maximums and other reasonable conditions) and the maximum amount of reimbursement which is reasonably available to a participant for such coverage is less than 500 percent of the cost of such coverage. In the case of an insured plan, the maximum amount reasonably available would be determined on the basis of the underlying coverage.

EFFECTIVE DATE

The bill would be effective with respect to taxable years beginning after December 31, 1995.

FOOTNOTES

¹The following types of coverage would be permitted coverage and therefore would not preclude an individual from being eligible to contribute to an MSA: (1) coverage only for accidents, dental care, vision care, disability income, or long-term care; (2) Medicare supplemental health insurance; (3) coverage issued as a supplement to liability insurance; (4) liability insurance, including general liability insurance and automobile liability insurance; (5) worker's compensation or similar insurance; (6) automobile medical-payment insurance; (7) coverage for a specified disease or illness; and (8) a hospital or fixed indemnity policy. Other types of coverage, e.g., a flexible spending arrangement, would not be permitted coverage.

²If the individual is covered under different catastrophic plans at different times during the month, the limit would be the lowest deductible under such plans.

CONGRATULATIONS TO DR. DIXIE MELILLO

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mr. BENTSEN. Mr. Speaker, I want to highlight the accomplishments of Dr. Dixie Melillo, a distinguished physician who has selflessly helped women with breast cancer in southeast Texas. In fact, Dr. Melillo is a wonderful healer for both the families and the patients with breast cancer. Dr. Melillo provides the latest medical treatments as well as emotional support for her patients. Every patient receives her home phone number so they can contact her at any time and discuss their case. Dr. Melillo is a good example of an extraordinary woman and professional who gives her time and effort to her community.

Dr. Melillo founded The Rose, a nonprofit organization for breast cancer screening. The Rose provides mammograms below cost or at no cost to women who otherwise would not receive these screenings. With these screenings, women have a much better chance of survival and receive appropriate medical treatment before their tumors have spread. As of December 1994, The Rose has provided low-cost mammograms to over 45,000 women, including 4,700 sponsored patients. In addition, The Rose is located in three locations so it is convenient for women to schedule their appointments.

Dr. Melillo is a tireless volunteer for The Rose, and serves as its medical director. In her capacity as medical director, Dr. Melillo has organized five different breast cancer support groups, and regularly attends each of these meetings. Her most recent accomplishment was to organize a metastatic support group for patients with a recurrence. Patients, spouses, and families all join in these important gatherings. Last year, Dr. Melillo consulted with more than 300 women.

In many cases, she will treat patients who cannot afford followup care, at no cost. She has never turned down an opportunity to help her fellow woman. Roughly 20 percent of her practice has been dedicated to charity care.

Dr. Melillo is a well recognized and dedicated physician. Dr. Melillo completed her medical studies at the University of Texas Medical Branch in Galveston, TX. A general surgeon in private practice in Pasadena, Dr. Melillo currently serves as the chairperson of the Southeast Harris County Task Force of the American Cancer Society. In 1986 she served

as the Chairman of The Department of Surgery at Bayshore Medical Center.

Dr. Melillo works hard for her community. She currently serves on the board of directors at Texas Commerce Bank, Pasadena Branch. Since 1993, Dr. Melillo has served on the board of directors at Bayshore Medical Center, where she still practices. From 1986 to 1990, Dr. Melillo served as the chairman of the Pasadena Chamber of Commerce, Medical Services Committee. In addition, Dr. Melillo has served as the alternative delegate for the Texas Medical Association. In 1988, Dr. Melillo received the Mayor's Volunteer of the Year Award in the health category for her dedicated service to the Houston community.

IN RECOGNITION OF COL. PIERCE ALBERT RUSHTON, JR., DIRECTOR OF ADMISSIONS AT THE U.S. MILITARY ACADEMY IN WEST POINT, NY

HON. SUE W. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1995

Mrs. KELLY. Mr. Speaker, Col. Pierce Albert Rushton, Jr., Director of Admissions at the U.S. Military Academy which is located in my District in West Point, New York, is retiring this year. He has a long and distinguished career of service to his country and the continued development of its future leaders.

At this point Mr. Speaker, I would ask that the attached statement be inserted into the RECORD for my colleagues review:

Colonel Rushton will retire from active military service in September 1995. Colonel Rushton's long and distinguished career as a soldier began in 1959 with his graduation from West Point and has spanned over 36 years. Colonel Rushton has made immeasurable contributions to the U.S. Army and to the U.S. Military Academy. Throughout his career he has distinguished himself as an exceptional leader, who fostered and upheld the timeless and honorable traditions of the U.S. Army.

As a soldier, Colonel Rushton served the nation in Germany, Vietnam, Korea, and the United States. He commanded a battalion and four different companies. Among these were command of the Command Operations Company of the 1st Infantry Division during the height of the Vietnam conflict, and command of the 142d Signal Battalion, 2d Armored Division, Fort Hood, TX, during the era of vital division testing. He served as battalion executive officer of the largest signal battalion in the Army in Korea, on the Department of the Army Staff in Washington, DC, and with TRADOC Combined Arms Test Agency at Fort Hood. He is a graduate of the Air War College, Montgomery, AL and the U.S. Army Command and General Staff College, Fort Leavenworth, KS.

Colonel Rushton holds a master of science degree in management from the University of Alabama and was elected to Beta Gamma Sigma academic fraternity. His first assignment to the West Point staff and faculty was from 1972-1975 as Associate Director of Admissions. In 1979, Colonel Rushton returned to West Point as the Deputy Director of Admissions. In 1985 he was appointed by President Reagan as the U.S. Military Academy Director of Admissions. During his tenure in admissions, Colonel Rushton developed and implemented a number of impressive initiatives. Some of the more important and far-

reaching actions for West Point have been the development of comprehensive admissions tracking and trend analysis; the first use of student search programs for the Military Academy; the development of a state-of-the-art training and assessment program for newly assigned admissions officers; the opening of field offices in California and Texas, and the establishment of the West Point Spotlight School Program and Annual USMA Admissions Distinguished Service Award. During Colonel Rushton's admissions service, the U.S. Military Academy has enrolled 87 percent of the women and 77 percent of the African-American graduates in its history.

Colonel Rushton serves as a member and secretary of the U.S.M.A. Academic Board and as a member of the superintendent's policy board. He has been directly involved in enrolling 20 West Point classes or approximately 34 percent of the total graduates of West Point. As a result of Colonel Rushton's dedicated leadership in attracting and admitting the best young people our Nation has to offer, West Point has retained its position as one of the country's finest institutions of higher learning and the premier leader development institution in the world.

Colonel Rushton and his wife, Charlene have two children, Stephanie Patelli of Fort Irwin, CA and Cheryl Neuburger of Katonah, NY.

Colonel Rushton's many friends, fellow soldiers, and the Corps of Cadets join together on this day, to wish him the best of health and happiness and continued success.

RETAIN OUR SERVICE ACADEMIES

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. BAKER of California. Mr. Speaker, as is well known, I believe in a limited, efficient Federal Government that spends taxpayers' money wisely and frugally. Yet there is no wisdom in discarding the crown jewels of America's military: the academies in West Point, Annapolis, and Colorado Springs.

Critics charge that the cost of a service academy education is simply too high. This charge rests on a faulty evaluation of the numbers. Comparing the costs to taxpayers for ROTC graduates and military academy graduates is like comparing apples and oranges. Statistics used to show greater cost efficiency in the ROTC Program fail to note that ROTC costs are in addition to the normal cost of an education. For example, when college tuition and ROTC training are combined, the cost for an ROTC graduate is \$214,000 over 4 years of study, while for a graduate of the Naval Academy, it is \$203,000. The cost at West Point is higher—\$268,000—but consider the following: A 4-year education at Stanford is \$290,000, at MIT it is \$254,000, and at Cal Tech, in my home State of California, it is \$426,000. Much of this money is taxpayer-subsidized, and in the context of these expenses, the cost of service academy educations seem a bargain.

And let's not forget that consistently, the Naval, Army, and Air Force Academies rank among the top universities in the United States.

Further, the service retention rate of academy-trained officers is much higher than those trained in ROTC courses. Twenty year retention rates for Naval Academy graduates are

16 percent higher than those trained in ROTC Programs. For the Air Force Academy, retention over 20 years is almost 40 percent, as compared to 27.5 percent for other commissioning sources. Taxpayers are getting a solid return on their academy investments.

None of the above slights those outstanding men and women whose dedication took them through ROTC or OCS Programs. Yet a 4-year immersion in military training is unique. In honoring nonacademy officers, we should not diminish the need for leaders like Eisenhower, Grant, Schwarzkopf, Bradley, Patton, Burke, and my Senate colleague and American hero JOHN MCCAIN.

Yes, let's cut waste from the Federal budget, but not at the expense of a generation of future leaders.

SUPPORTING IMPACT AID

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise today to praise the National Security Committee for adopting the Edwards-Bateman amendment to preserve partial funding for the Impact Aid program.

Impact Aid provides essential funding for school districts which lack revenue because a portion of their student body lives on Federal land and does not pay local school taxes.

The work of the committee has reaffirmed the Federal Government's pledge to provide over 5,000 children in Rhode Island with a sound elementary and secondary education. Without Impact Aid the Federal Government would abandon this essential commitment to all the children in these districts.

These children are of course very special to our Nation. They are the sons and daughters of the people who protect our country by serving in the military.

Impact Aid is clearly about our military readiness not just for today but for our future.

Funding Impact Aid today ensures that our military personnel are prepared to serve because they do not carry with them the worry that their children are not receiving a proper education.

Moreover, Impact Aid today means supporting America's leaders tomorrow. Education and training will develop skills, and skills mean high quality jobs for Americans. Without the program over 17 million children nationwide would be left unprepared and undefended in the harsh climate of the new global economy. This is a cost America simply cannot bear.

Again, I thank my colleagues from both sides of the aisle for funding Impact Aid and supporting the men, women, and children of the U.S. armed services.

TRIBUTE TO PRESIDENT REAGAN PROMOTING ALZHEIMER'S DISEASE AWARENESS

HON. ANDREA H. SEASTRAND

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mrs. SEASTRAND. Mr. Speaker, I rise today to pay special tribute to President Ron-

ald Reagan for his strength and courage as he and Mrs. Reagan strive to bring national attention to the American people regarding Alzheimer's disease.

Throughout his long and successful political career, President Reagan chose, without hesitation, to tackle the most controversial issues of the day. Today, he and Mrs. Reagan are leaders in the effort to educate the public about Alzheimer's disease. Indeed, the Reagans are lending their support to efforts in Santa Barbara County which will help generate the dollars needed to provide services to those who have been stricken with this debilitating disease. The Alzheimer's Association of Santa Barbara is the beneficiary of this charitable effort.

Santa Barbara knows of the Reagan's love for and interest in Santa Barbara County, and we are honored to have been able to call Santa Barbara the Western White House. Local residents and business owners remember their visits to Rancho del Cielo with great fondness, and we welcome them back whenever possible as heroes fighting for a new cause. The 22d Congressional District of California applauds President and Mrs. Reagan for their perseverance and we want them to know that our prayers are with them.

HONORING LAPEER COUNTY WORLD WAR II EFFORT

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. KILDEE. Mr. Speaker, I rise today to urge my colleagues in the House of Representatives to join me in paying tribute to the men and women of the great County of Lapeer, who bravely served this Nation during World War II. Lapeer County has been recognized as an official Commemorative Community by the Department of Defense, and has worked for many months on a host of events that will honor all of its citizens that served during World War II.

The sacrifices and accomplishments of the men and women that served are many, and serve as inspiration to the generations that have benefited the most from their efforts. The men and women of Lapeer County held true to the notion that evil and tyranny will not prevail.

The lessons taught by World War II must never be forgotten. We are bound by honor to keep the legacy of the great patriots of our Nation forever fresh in the memories of future generations. The courage, valor, and singleness of purpose that was shown by the entire country, serves as an example of the unity and strength of the American people. It was a time of patriotism. It was a time when America was proud. It was a time when America served as a bright shining light to a world thrown into darkness by evil forces.

The men and women of Lapeer County paid a heavy price to defeat the Axis Powers. Some were wounded. Some were never to return home, destined to rest forever beneath the soil of a far off land they helped to free. Families were changed forever by the loss of loved one. Let us never forget what our freedom cost. Let their spirit and faith in democracy endure.

Mr. Speaker, it is an honor and a privilege for me to rise before my colleagues in the House of Representatives to honor the great people of Lapeer County who contributed so much to victory during World War II. I am honored to represent them in Congress.

220TH BIRTHDAY OF THE UNITED STATES ARMY

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. MONTGOMERY. Mr. Speaker, I rise today to pay tribute to the soldiers and civilians of the United States Army as we recognize June 14th as the Army Birthday. I take great pride in honoring the brave men and women who have served in the United States Army since 1775. The heart of America's Army is its people, the young men and women of our nation who volunteer to serve. We must never forget that even in this time of precision munitions and brilliant weapons, the individual combat soldier is the ultimate smart weapon. America's Army is peopled by soldiers of high quality—soldiers with character, commitment and courage. These qualities are—and always will be—hallmarks of the Army.

June 14th is Flag Day as well as the Army's birthday; therefore, it is appropriate to point out that the design of our flag, Old Glory, has evolved over the years since 1777. The liberty it stands for, however, remains constant. So does the Army's vigil to protect liberty.

Since 1775, more than 42 million Americans, in times of turmoil and tension as well as periods of peace, have raised their right hands to take an oath, making America's Army what it is today: the premier fighting force in the world. They have taken that oath, not to a king, not to a President or political party, and not to a flag alone, but to the Constitution of the United States and the ideals it represents.

Yesterday they were ready, from Lexington and Concord to Gettysburg, and from Normandy to the Persian Gulf. Today they are ready to keep the peace or provide humanitarian relief around the globe. Tomorrow, too, they will be ready. Whenever the time, wherever the mission, whatever the challenge, we can count on America's Army.

The United States Army has always done more than fight our nation's wars. The Army develops leaders who contribute to the strength of the very fabric of American Society. America's Army has always provided leaders for government and industry. From Presidents, to many of my colleagues here today, all owe much of their strength as leaders to what they learned in the Army. In the House of Representatives you will find 87 members who served in the Army, either on active duty, in the Army Reserves, or in the Army National Guard; and in the Senate you will find another 27 who served their nation as soldiers. I ask that a list of my House colleagues with Army service be appended to my remarks for the record.

In closing, let us remember and reflect on the selfless sacrifice of America's soldiers throughout our history, their accomplishments made in the face of terrible hardship, and their dedication to our nation. The United States

Army, America's Army, should be proud as it celebrates its 220th birthday, and the nation should be proud as it celebrates Flag Day that these brave men and women stand ready to support and defend our American way of life. June 14th will be celebrated in every camp, post and station of the Army, and here in the Nation's capital. I encourage all Americans to find a way to help celebrate this event, and to find a way to thank the men and women, soldiers and civilians of the Army for their dedication, sacrifice, and selfless service.

HOUSE MEMBERS WITH ARMY SERVICE

Scotty Baesler, Doug Bereuter, Tom Beville, Brian P. Bilbray, Sherwood Boehlert, Bill Brewster, George E. Brown, Jr., Ed Bryant, Dan Burton, Steve Buyer, William L. Clay, Bob Clement, Ronald D. Coleman, Mac Collins, John Conyers, Jr., Wes Cooley, William J. Coyne, Robert E. Cramer, Philip M. Crane, Thomas M. Davis III, E. "Kika" de la Garza, Nathan Deal, John D. Dingell, Julian C. Dixon, John J. Duncan, Jr., Thomas W. Ewing, Eni F. H. Faleomavaega, Michael Patrick Flanagan, Rodney Frelinghuysen, Martin Frost, Greg Ganske, George W. Gekas, Sam M. Gibbons, Benjamin A. Gilman, Bill Goodling, Porter J. Goss, Richard (Doc) Hastings, Steve Horn, Duncan Hunter, William J. Jefferson, Harry A. Johnston, Paul E. Kanjorski, Peter R. King, Joe Knollenberg, John J. LaFalce, Greg Laughlin, Jim Ross Lightfoot, William O. Lipinski, Edward J. Markey, Frank R. Mascara, Jack Metcalf, John McHugh, Norman Y. Mineta, Alan B. Mollohan, G.V. (Sonny) Montgomery, Carlos J. Moorhead, John T. Myers, Charlie Norwood, Solomon P. Ortiz, Larry F. Payne, Jr., Collin Peterson, John Edward Porter, Glenn Poshard, Jim Ramstad, Charles B. Rangel, Jack Reed, Mel Reynolds, Frank Riggs, Harold Rogers, Toby Roth, Bobby L. Rush, Robert C. Scott, Jose E. Serrano, Bud Shuster, John Spratt, Jr., Louis Stokes, Esteban E. Torres, Edolphus Towns, Harold L. Volkmer, Robert S. Walker, Dave Weldon, Edward Whitfield, Pat Williams, Frank R. Wolf, C.W. (Bill) Young, Don Young, Bill Zeliff.

HONORING DAN RATTINER, DISTINGUISHED NEWSPAPER PUBLISHER AND EDITOR

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mr. ACKERMAN. Mr. Speaker, I rise today to join with my constituents in the Fifth Congressional District of New York and the citizens of Eastern Long Island in recognizing Dan Rattiner.

For 35 years, Dan Rattiner has distinguished himself as a leading force in the Long Island newspaper industry as publisher and editor of Dan's Papers on the East End of Long Island.

When Dan Rattiner founded Dan's Papers in 1960, he boldly accepted his own challenge to inform and educate Eastern Long Island residents of the important issues affecting their community.

Throughout the years, Dan Rattiner has also served the East End with exceptional public service. Every year since 1979, Dan Rattiner has raised tens of thousands of dollars for charity through the annual Dan's Papers Potatohampton Minithon, a 10K race that occurs in Bridgehampton every Memorial Day weekend. From 1985 to 1993, Dan sponsored a summertime radio show in Manhattan entitled "The Hampton Report," informing citizens throughout the New York Metropolitan area about the unique attributes and attractions of the East End. Presently, Dan hosts a New York City radio program, "The Weekend Report," which also enlightens New Yorkers about the East End.

In addition, Dan Rattiner has authored numerous books on the East End, including "Dan's Book," "Albert Einstein's Summer Vacation," and "Who's Here: The Heart of the Hamptons."

Mr. Speaker, Dan Rattiner's achievements and contributions to the East End merit the special appreciation of the community, his friends, and his family.

I ask all of my colleagues in the House of Representatives to join me this day in recognizing Dan Rattiner for his generous contributions and dedicated service to the Long Island community.

EXPLANATION OF H.R. 1729 TAX EXCLUSION REGARDING PRE-NEED FUNERAL TRUSTS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1995

Mrs. MINK of Hawaii. Mr. Speaker, I introduced H.R. 1729 to reverse a bureaucratic inequity created by a January 29, 1988, Internal Revenue ruling (87-127) which created two classes of taxpayers with disproportionate tax treatment which my legislation seeks to remedy.

Because funeral expenses often saddle a family abruptly with an unexpected financial burden, many families find it in their best interest to establish a pre-need funeral plan (trust) where moneys are set aside for future funeral costs.

Under this IRS ruling, families purchasing pre-need funeral plans are required to pay taxes on the interest income earned by these trusts, despite the fact that trust moneys and earned interest remains in the possession of the seller of the trust—usually a funeral home. Trusts purchased before the effective date of the ruling were subject to a grandfather clause, establishing a significant inequity between trusts purchased before and after the effective date.

Furthermore, the IRS ruling forced sellers of pre-need trusts to assume the responsibility for informing purchasers of the tax amounts owed on their trusts. This has created difficulty for sellers due to confusion on the part of the purchasers who believe it inequitable that they be assessed this tax on interest that they never receive nor benefit from.

H.R. 1729 would reverse Revenue ruling 87-127 by requiring the providers of pre-need funeral trusts once again to pay taxes on earned interest on the trusts, unless the interest is returned to the purchaser.

I urge my colleagues to support H.R. 1729 to relieve families from unwarranted taxes.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, June 15, 1995, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 16

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation and Merchant Marine Subcommittee
To hold hearings on the future of Amtrak and local rail assistance.
SR-253

JUNE 19

2:00 p.m.
Governmental Affairs
Post Office and Civil Service Subcommittee
To resume hearings on proposals to reform the Federal pension system.
SD-342

JUNE 20

9:30 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Defense, focusing on counternarcotic programs.
SD-192

Energy and Natural Resources
To hold oversight hearings to review existing oil production at Prudhoe Bay, Alaska and opportunities for new production on the coastal plain of Arctic Alaska.
SD-366

10:00 a.m.
Finance
Social Security and Family Policy Subcommittee
To resume hearings to examine the financial and business practices of the American Association of Retired Persons (AARP).
SD-215

11:00 a.m.
Foreign Relations
Business meeting, to consider S. Res. 97, expressing the sense of the Senate with respect to peace and stability in the South China Sea, and pending nominations.
SD-419

2:00 p.m.

Foreign Relations

To hold hearings on the nominations of David C. Litts, of Florida, to be Ambassador to the United Arab Emirates, Patrick N. Theros, of the District of Columbia, to be Ambassador to the State of Qatar, and A. Peter Burleigh, of California, to be Ambassador to the Democratic Socialist Republic of Sri Lanka and to serve concurrently and without additional compensation as Ambassador to the Republic of Maldives.
SD-419

JUNE 21

9:00 a.m.

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

9:30 a.m.

Energy and Natural Resources
To hold hearings on the Secretary of Energy's strategic alignment and downsizing proposal and other alternatives to the existing structure of the Department of Energy.
SD-366

Labor and Human Resources

To hold oversight hearings on the Occupational Safety and Health Administration (OSHA).
SD-430

2:00 p.m.

Select on Intelligence

To hold hearings to review the progress of the activities of the Director of Central Intelligence.
SD-106

JUNE 22

9:30 a.m.

Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold hearings on S. 852, to provide for uniform management of livestock grazing on Federal land.
SD-366

Labor and Human Resources

To continue oversight hearings on the Occupational Safety and Health Administration (OSHA).
SD-430

Indian Affairs

To hold joint hearings with the House Committee on Resources Subcommittee on Native American and Insular Affairs on S. 487, to amend the Indian Gaming Regulatory Act.
SD-G50

10:00 a.m.

Environment and Public Works
Drinking Water, Fisheries, and Wildlife Subcommittee

To hold oversight hearings on the National Marine Fisheries Service policy on spills at Columbia River hydropower dams, gas bubble trauma in endangered salmon, and the scientific method used under the Endangered Species Act which gave rise to that policy.
SD-406

Judiciary

Business meeting, to consider pending calendar business.
SD-226

JUNE 23

9:30 a.m.

Labor and Human Resources
To hold hearings to examine issues relating to the Legal Services Corporation.
SD-430

JUNE 27

9:30 a.m.

Appropriations
Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1996 for the Department of Defense, focusing on ballistic missiles.
SD-192

JUNE 28

9:30 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.
SD-430

Indian Affairs

To hold hearings on S. 814, to provide for the reorganization of the Bureau of Indian Affairs.
SR-485

10:00 a.m.

Veterans' Affairs

To hold hearings to examine options for compliance with congressional budget resolution (H.Con.Res. 67) instructions relating to veterans' programs.
SR-418

JUNE 29

9:30 a.m.

Small Business

To hold hearings to examine the future of the Small Business Investment Company program.
SD-538

10:00 a.m.

Energy and Natural Resources

To hold oversight hearings with the Committee on Environment and Public Works on energy and environmental implications of the Komi oil spills in the former Soviet Union.
SD-366

Environment and Public Works

To hold oversight hearings with the Committee on Energy and Natural Resources on energy and environmental implications of the Komi oil spills in the former Soviet Union.
SD-366

2:00 p.m.

Energy and Natural Resources

Parks, Historic Preservation and Recreation Subcommittee

To hold hearings on S. 594, to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer.
SD-366

JULY 13

9:30 a.m.

Indian Affairs

To hold hearings on S. 479, to provide for administrative procedures to extend Federal recognition to certain Indian groups.
SR-485

POSTPONEMENTS

JUNE 15

9:30 a.m.

Energy and Natural Resources

To hold hearings on S. 871, to provide for the management and disposition of the Hanford Reservation, and to provide for environmental management activities at the Reservation.
SD-366